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CONGRESSIONAL

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# Weekly Report

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No. 16

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*The Authoritative Reference on Congress*

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# Congressional Boxscore

## MAJOR LEGISLATION IN 87th CONGRESS

As of April 21, 1961

### Party Lineups

	Dem.	GOP	Vacancies
HOUSE	260	172	5
SENATE	65	35	0

BILL	HOUSE		SENATE		STATUS
<b>Depressed Areas</b> (S 1) (HR 4569)	Reported 3/22/61	Passed 3/29/61	Reported 3/8/61	Passed 3/15/61	Conference Completed
<b>Minimum Wage</b> (S 1457, S 895) (HR 3935)	Reported 3/13/61	Passed 3/24/61	Reported 4/12/61	Passed 4/20/61	
<b>Aid to Education</b> (S 1021) (HR 4970)	Hearings Completed		Hearings Completed		
<b>College Aid</b> (S 1241) (HR 6483)	Reported by Subcommittee				
<b>Omnibus Housing</b> (S 1478) (HR 6028)	Hearings Scheduled		Hearings Completed		
<b>Temporary Unemployment Benefits</b> (HR 4806)	Reported 2/25/61	Passed 3/1/61	Reported 3/15/61	Passed 3/16/61	PL 87-6 3/24/61
<b>Medical Aid to the Aged</b> (S 909) (HR 4222)					
<b>Social Security Changes</b> (HR 6027)	Reported 4/7/61	Passed 4/20/61			
<b>Dependent Children Aid</b> (HR 4884)	Reported 2/27/61	Passed 3/10/61	Reported 4/14/61	Passed 4/20/61	To Conference
<b>Sugar Act Extension</b> (HR 5463)	Reported 3/14/61	Passed 3/21/61	Reported 3/28/61	Passed 3/29/61	PL 87-15 3/31/61
<b>Feed Grains Program</b> (S 993) (HR 4510)	Reported 2/27/61	Passed 3/9/61	Reported 3/2/61	Passed 3/10/61	PL 87-5 3/22/61
<b>Mexican Farm Workers</b> (HR 2010)	Ordered Reported				
<b>Omnibus Farm Bill</b> (S 1643) (HR 6400)	Hearings Scheduled		Hearings Scheduled		
<b>Mutual Security</b>					
<b>OECD Treaty</b> (Exec. E, 87th Cong. 1st Sess.)	No House Action Needed		Reported 3/8/61	Passed 3/16/61	Signed 3/23/61
<b>Peace Corps</b>					
<b>Reorganization Act</b> (S 153)	Reported 3/23/61	Passed 3/29/61	Reported 1/30/61	Passed 2/6/61	PL 87-18 4/7/61
<b>Judgeships</b> (S 912)	Reported 3/30/61	Passed 4/19/61	Reported 2/28/61	Passed 3/3/61	To Conference
<b>Civil Rights</b>					
<b>Tax Revision</b>	Hearings Scheduled				
<b>Highway Financing</b>	Hearings Completed				
<b>Water Pollution</b> (S 861) (HR 6441)	Ordered Reported				
<b>Mass Transportation</b> (S 345)			Hearings Completed		
<b>Airport Grants</b>					
<b>Regulatory Agency Reform</b>					

### CONGRESSIONAL QUARTERLY

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Publisher: Buel F. Wear.

Business Manager: Walter E. Thomas.

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## SENATE PASSES PRESIDENT'S MINIMUM WAGE BILL, 65-28

The Senate April 20, by a 65-28 roll-call vote, passed an amended bill (HR 3935) increasing the minimum wage for 23.9 million workers already covered by the Fair Labor Standards Act from \$1 an hour to \$1.25 an hour, to be reached in two steps. The bill also extended minimum-wage and overtime coverage under the Act to about 4,043,000 additional workers. A number of amendments designed to reduce the extension of coverage were rejected. (For voting see charts p. 700-701)

The Senate version of the bill corresponded to President Kennedy's legislative requests and contrasted sharply with the version passed by the House March 24. After rejecting the Administration proposals, the House passed a substitute measure raising wages for those already covered to \$1.15 and extending minimum-wage but not overtime coverage to only 1.3 million workers. (Weekly Report p. 519)

The chief difference between the House and Senate bills was the method of extending coverage. The House bill restricted extension of coverage to retail enterprises only and used as the criterion of coverage the number of states in which a retail enterprise operated; if it had five stores and operated them in two or more states, workers in those stores were covered. The Senate version extended coverage to several non-retail activities, and based extension of coverage for retail and service businesses on their dollar volume of sales: retail and service businesses with annual gross sales of \$1 million or more, even if all in one state, were to be covered (with some exceptions). The Senate took up the bill April 13.

Although there was considerable debate on the potential effects of the bill on employment, inflation, small businesses and U.S. competition with low-wage foreign producers, controversy centered on the coverage provisions. Opponents of the dollar-volume standard, led by Spessard L. Holland (D Fla.), A.S. Mike Monroney (D Okla.) and Barry Goldwater (R Ariz.), said application of the dollar-volume test to retailing stores operating only in one state would destroy any meaningful distinction between interstate and intrastate business. Administration supporters, including Pat McNamara (D Mich.), Wayne Morse (D Ore.), and Hubert H. Humphrey (D Minn.), responded that a business which bought substantial amounts of goods from out of state was clearly an interstate operation that could be regulated even if it sold all its merchandise in one state.

A bloc of Northern Democrats and about a dozen liberal Republicans combined to defeat on a 34-63 roll-call an amendment by Everett McKinley Dirksen (R Ill.) to use the House coverage and overtime provisions; on a similar 34-63 vote a Richard B. Russell (D Ga.) amendment to delete all extensions of coverage; on a 35-62 roll call a Holland amendment to extend coverage only to 273,000; and on a 39-56 roll call a Monroney amendment to use a two-state-operation criterion for extending coverage to retail and service trades.

Also rejected, on roll calls of 39-58, 39-55 and 45-52, were amendments by Winston L. Prouty (R Vt.)

involving amelioration of unemployment effects, by Goldwater involving import restrictions, and by George A. Smathers (D Fla.) to remove 140,000 laundry workers.

Rejection of the Monroney amendment by the wide margin of 39-56 came as a surprise, since a similar amendment in 1960 was tabled by only two votes, 50-48. (1960 Almanac p. 317) Switches against the amendment by a half-dozen Republicans appeared to explain the change. Bush (R Conn.), Keating (R N.Y.) and Scott (R Pa.), who had voted in favor of the Monroney amendment in 1960 and Boggs (R Del.) and Miller (R Iowa), whose predecessors in the Senate had not favored the amendment in 1960, all voted against the amendment in 1961. Young (R N.D.), who voted for the amendment in 1961, entered a live pair against it in 1961.

Among the Democrats, Hayden (Ariz.) switched from support in 1960 to opposition to the amendment in 1961; Long (Mo.) voted against the amendment although his predecessor in 1960 had announced for it; and only Blakley (Texas) reversed his predecessor's stand and voted for the amendment in 1961.

**BACKGROUND --** The Labor and Public Welfare Committee reported HR 3935 (H Rept 145) April 12, with Goldwater and Dirksen filing dissenting views.

**PROVISIONS --** As passed by the Senate HR 3935, the Fair Labor Standards Amendments of 1961:

Were to go into effect 120 days after enactment.

Raised the minimum wage for workers already covered by the minimum-wage provisions of the Fair Labor Standards Act (about 23.9 million persons) from \$1 an hour to \$1.15 an hour during the first two years after the amendments went into effect and to \$1.25 an hour thereafter.

Brought under the minimum-wage and overtime provisions of the Act various new categories of workers (estimated at 4,043,000 persons) at the following minimum wage scales: \$1.00 an hour during the first year in effect, \$1.05 during the second year, \$1.15 during the third year and \$1.25 thereafter.

Made the overtime provisions of the Act applicable (with certain exceptions) to newly covered workers on the following basis: no overtime pay required during the first year amendments were in effect; overtime pay required for more than 44 hours work in a week during second year; for more than 42 hours during third year; for more than 40 hours thereafter.

The new categories of workers brought under the Act and the estimated number of newly covered in each category were as follows. (Some of these remained exempt from overtime protection; see below.)

• All employees of retail or service enterprises that maintain one or more stores, have over-all gross annual sales volume of \$1 million, and buy at least \$250,000 a year worth of goods that have moved across state lines. The following were specifically exempted from coverage under the retail-service provision even if they met all the tests enumerated above: any unit of a retail or service

chain if the unit's gross annual sales were less than \$250,000; a hotel, motel or restaurant; employees engaged in food catering or serving in an otherwise covered business; movies; amusement or recreational establishments operating on a seasonal basis; hospitals, nursing homes and schools for exceptional children; retail and service establishments whose only employees were the owner and his immediate relatives ("mom and pop stores"). (Coverage extended to an estimated 2,450,000 persons.)

- All employees of gasoline service stations grossing \$250,000 or more a year. (Coverage extended to 86,000 persons)

- All employees of a construction firm grossing \$350,000 or more a year. (Coverage extended to 1 million.)

- All employees of drycleaning and laundry enterprises grossing \$1 million or more a year; employees of such enterprises grossing \$250,000 or more a year if they are in substantial competition in a metropolitan area with a covered interstate laundry. (Coverage extended to 140,000.)

- Employees engaged in on-shore fish processing (coverage extended to 33,000 persons), in local retailing (about 10,000 persons), in metropolitan and interurban transit companies' operations (110,000), as seamen on American flag vessels (100,000), and as switchboard operators in non-independent public telephone exchanges having more than 750 stations (30,000).

- Employees of any other covered establishment with \$1 million or more gross annual sales, regardless of whether the individual was personally engaged in interstate commerce or production for commerce. (Under existing law workers were covered only if they worked in a covered establishment and if they personally were engaged in some aspect of the establishment's operations involving interstate commerce or production for commerce. Under this provision of HR 3935, all employees of a business subject to the FLSA would be covered). (Coverage extended to 100,000.)

The bill exempted from overtime coverage the following groups newly brought under the Act or previously covered for overtime:

- Employees engaged in on-shore fish processing, in metropolitan and interurban transit operations and as seamen on American flag vessels; employees of gas stations; employees of local bulk-petroleum-products distributors with less than \$1 million gross annual sales; employees of auto, truck and farm implement dealers; drivers and drivers' helpers making local deliveries on a trip-rate basis; retail or service workers getting at least half their pay in commissions and averaging at least one-and-a-half times the minimum wage; announcers, news editors and chief engineers of broadcasting stations located outside Standard Metropolitan Statistical Areas in towns of 50,000 or less population, or in towns of 25,000 or less within such Areas but at least 40 miles from the main city in the Area.

The bill also:

- Specified that supervisory personnel (retail assistant managers) remained exempt from the FLSA even if they spent up to 40 percent of their time in non-supervisory work.

Directed the Secretary of Labor to investigate and report to the President and Congress whenever it appeared that competition from foreign producers in any industry covered by the Act had or might result in increased U.S. unemployment.

Applied the changes in the Act to Puerto Rico, the Virgin Islands and American Samoa in accord with procedures in effect there. For Puerto Rico and the Virgin Islands, workers already covered were to receive a 15 percent increase in the minimum during the first two years the bill was in effect, with another 10 percent increase at the end of the two years (these increases could be cancelled or changed by the Secretary of Labor if he found they would substantially curtail employment); for all previously covered and newly covered workers in Samoa, and for newly covered workers in Puerto Rico and the Virgin Islands, existing industry-committee procedures for fixing minimum wages were to remain in force.

Forbade oppressive child labor in newly covered establishments.

Directed the Secretary of Labor to study seasonal and other overtime and coverage exemptions for agricultural processing, and to study the wages of employees in hotels, motels, restaurants and other food-service establishments, and make recommendations to Congress in January 1962.

#### AMENDMENTS ACCEPTED

April 13 -- Jacob K. Javits (R N.Y.) -- Direct the Secretary of Labor to study the wages of motel, hotel, restaurant and food-service employees and report to Congress by January 1962. Voice vote.

April 14 -- John Sherman Cooper (R Ky.) -- Strike out language that would have reduced from 28 weeks to 20 weeks the annual exemption from overtime-payment requirements of employers seasonally engaged in first processing and canning of fruits, vegetables and meats within the area of production. Voice.

April 19 -- Eugene J. McCarthy (D Minn.) -- Exempt from overtime provisions of the Act certain employees of a broadcasting station located in a town of 25,000 or fewer persons, even if the town is within a Standard Metropolitan Statistical Area, provided the town is at least 40 miles away from the major city in such an area. Voice.

Lister Hill (D Ala.) -- Exempt from coverage under the Act work performed at livestock auctions for a farmer by workers usually employed by him primarily as agricultural employees. Voice.

Milton R. Young (R N.D.) -- Exempt from coverage under the Act employees of rural grain elevators located within the area of production and employing five or fewer persons. Voice. (This amendment, together with those of Russell and Williams, below, removed 20,000 workers from coverage under the bill.)

Richard B. Russell (D Ga.), Herman E. Talmadge (D Ga.), James O. Eastland (D Miss.), Lister Hill (D Ala.) and John J. Sparkman (D Ala.) -- Exempt from coverage under the Act workers engaged in cotton ginning, regardless of whether located in the area of production. Voice.

John J. Williams (R Del.) -- Exempt from coverage under the Act workers making evergreen wreaths at home or harvesting evergreens used in making the wreaths. Voice.

#### AMENDMENTS REJECTED

April 18 -- Everett McKinley Dirksen (R Ill.) as modified by Morton (R Ky.) -- Substitute a new bill corresponding to the House-passed Kitchin-Ayres bill in its coverage provisions, and providing for an increase in the minimum-wage for 23.9 million workers already covered by FLSA from \$1 an hour to \$1.15 an hour the first two years in effect and \$1.25 thereafter, and extension of minimum-wage but not overtime coverage to about 1.3 million persons employed in retail establishments of



chains having five or more stores and operating them in two or more states; the newly covered workers were to receive \$1.05 an hour for the first two years the bill was in effect, \$1.15 the third year and \$1.25 thereafter. Roll-call vote, 34-63.

Richard B. Russell (D Ga.) -- Eliminate all overtime and coverage changes. Roll call, 34-63.

Spessard L. Holland (D Fla.) -- Extend coverage only to seafood processing workers (33,000), workers in certain telephone exchanges (30,000), certain merchant seamen (100,000) and interurban and metropolitan transit workers (110,000). Roll call, 35-62.

Winston L. Prouty (R Vt.) -- If the Secretary of Labor found that any increases in the minimum wage (other than the initial ones) scheduled to go into effect under the bill would create substantial unemployment, require him to report this finding to Congress and permit him to suspend the scheduled increase for 60 days in order to give Congress time to act to suspend the increase for a longer period, if it wished, or cancel it. Roll call, 39-58.

April 19 -- Barry Goldwater (R Ariz.) -- Require the Secretary of Labor to recommend import quotas or tariffs which the President could then put in effect if he chose, if the Secretary on his own motion or at the request of a union or business group conducted an investigation and determined that imports from low-wage countries were endangering the living standards of U.S. workers whose wages are regulated by state or federal law. Roll call, 39-55.

A.S. Mike Monroney (D Okla.) -- Amend the committee bill so that retail, service, laundry, gas-station and construction workers would be covered by the Act not on the basis of a dollar-volume test but only if they worked in an enterprise with retail or service establishments in two or more states (the amendment would have reduced extension of coverage from 4,043,000 persons to about 2.5 million). Roll call, 39-56.

George A. Smathers (D Fla.) -- Exempt laundry workers (about 140,000 persons) from coverage under the Act. Roll call 45-52.

Wayne Morse (D Ore.) -- Extend coverage to currently exempt small logging operations (12 employees or less) if the land on which the business is operating is owned or controlled directly or indirectly by any federal, state or local agency or by an enterprise producing pulp, paper or wood products. Voice.

Carl T. Curtis (R Neb.) -- Broaden the existing exemption for charitable and religious groups so that employees of certain non-profit organizations would be exempted from coverage (38,000 persons). Voice.

Holland -- Prohibit the Secretary of Labor from regulating the wages and hours of any farm workers by withholding benefits or services, or any other means, except as expressly provided by law. (Holland said his aim was to prevent the Secretary from assuming regulatory functions over wages and hours of farm workers supplied to farmers by the U.S. Employment Service.) Voice.

## DEPRESSED AREAS

The Senate April 20 agreed to a conference report on the depressed areas bill (S 1) shortly after House conferees gave in to the Senate on the chief point of contention -- the Senate provision to finance the program by borrowing from the Treasury rather than by annual appropriations. (Weekly Report p. 522) The House is scheduled to act on the final version next week.

## SOCIAL SECURITY

The House April 20, by a 400-14 roll-call vote, passed and sent to the Senate a bill (HR 6027) to increase minimum Social Security benefits for retired workers, permit men as well as women to retire at age 62 with reduced benefits, increase widows' benefits and liberalize eligibility requirements. The bill also increased the payroll tax to meet the costs of the added benefits. It was estimated the revisions would give about 4,420,000 persons in the first year approximately \$780 million in new or increased benefits. (For voting, see chart p. 702)

Prior to passage the House rejected by voice vote a motion by Rep. Thomas B. Curtis (R Mo.) to recommit the bill to the Ways and Means Committee and substitute for it a bill (HR 6283) which would have eliminated the retirement provisions for men reaching 62 and the increased widows' benefits. The proposed substitute, introduced by John W. Byrnes (R Wis.), would have granted the same minimum benefits received by eligible retired workers to all persons aged 72 or more whose jobs were brought under Social Security too late for them to qualify for benefits. Byrnes' bill also would have liberalized the current \$1,200 limit on earnings allowed Social Security recipients without loss of benefits.

During debate, Republicans protested the "gag" rule prohibiting floor amendments to HR 6027 and said their main objection to the bill was the provision providing for retirement at age 62, which they believed might start a trend towards compulsory retirement at that age.

PROVISIONS -- See Weekly Report p. 529.

BACKGROUND -- The House Ways and Means Committee, in reporting HR 6027 (H Rept 216) April 7, said it would make the Social Security program "more flexible and effective." In recommending benefits for men at age 62, the report said the "plight of the older unemployed man is particularly bad": men at this age frequently lost their jobs because of age and found it difficult to find new ones. The report also said provisions for optional retirement before age 65 were increasingly common in private pension plans.

The Committee gave no reason for recommending that the tax increases become effective Jan. 1, 1962 instead of Jan. 1, 1963, as the Administration had requested. The Administration wanted to defer the tax as an anti-recession move so that the economic impact of increased benefits would not be counteracted immediately by the withdrawal of funds paid for payroll taxes.

Republican Committee members, in minority views, chiefly opposed the provision for benefits for men at age 62, saying it would promote "the adoption of compulsory retirement" at that age in collective bargaining agreements and industry in general. The provisions included in the Byrnes bill were supported by GOP members.

DEBATE -- April 20 -- Byrnes -- Congress was "not doing a thing" for the two million people over 72 who received no Social Security benefits, although one-half of them were widows and over one-half were on relief.

Curtis -- The age 62 retirement provision was "a step backwards" on which no extensive studies or hearings had been held.

Wilbur D. Mills (D Ark.) -- Challenged the Republicans "justification" for liberalizing the earnings limit for those able to work while at the same time "denying" widows higher benefits.

## JUDGESHIPS BILL

The House April 19, by a 336-76 roll-call vote, passed and returned to the Senate an Administration-backed bill (S 912) creating 10 new federal circuit court judgeships and 60 new district judgeships. (For voting see chart p. 702)

Passage followed debate in which Republicans charged that Democrats, for patronage purposes, had inflated S 912 beyond the actual needs of the courts. An amendment to cut the total to the 35 judgeships approved by the Judiciary Committee in June 1960 was defeated by voice vote. Another amendment, which would have created the nine circuit court judgeships and 50 district court judgeships recommended by the September 1960 meeting of the Judicial Conference of the United States, was rejected by a 99-180 teller vote. (In March 1961 the Conference, which is composed of the Chief Justice of the United States, the chief judges of the 11 circuit courts of appeals and one district judge from each circuit, raised its recommendation to 69 new judgeships.)

A motion to recommit the measure to the Judiciary Committee, offered by Rep. George Meader (R Mich.), was rejected by voice vote.

**BACKGROUND** -- S 912 was reported by the House Judiciary Committee March 30 (H Rept 215). Committee amendments cut district judgeships in Rhode Island, Vermont, Oklahoma, Northern California and Southern California from the 73 positions voted by the Senate when it passed S 912 March 3. The House version added two judgeships not included in the Senate bill: a third judge for North Carolina and one for the Western Louisiana District.

The two California judgeships were the only Judicial Conference recommendations of March 13 that the House Committee entirely omitted (it revised some proposed intrastate assignments). (Weekly Report p. 385)

President Kennedy Feb. 10 asked Congress to create 59 judgeships, in line with the September 1960 recommendations of the Judicial Conference. Attorney General Robert F. Kennedy March 17 revised the Administration request to include 10 additional district court judgeships recommended by the March 13, 1961 meeting of the Conference.

**PROVISIONS** -- As passed by the House, S 912:

Created 10 new federal circuit judgeships: 2nd circuit (N.Y., Conn., Vt.), 3 judges; 3rd circuit (Del., N.J., Pa., Virgin Islands), 1\*; 4th circuit (Md., N.C., S.C., Va., W.Va.), 2; 5th circuit (Ala., Fla., Ga., La., Miss., Texas), 2; 7th circuit (Ill., Ind., Wis.), 1; 10th circuit (Colo., Kan., N.M., Okla., Utah, Wyo.), 1.

Created 55 new district court judgeships: Northern Alabama, 1; Alaska, 1; Arizona, 1; Arkansas (to serve in Eastern and Western Districts), 1\*; Northern California, 1; Southern California, 1; Colorado, 1; Connecticut, 2; Southern Florida, 2; Northern Georgia, 1; Northern Illinois, 2; Northern Indiana, 1; Southern Indiana, 1; Iowa (to serve in Northern and Southern Districts), 1; Kansas, 1; Eastern Louisiana, 2; Western Louisiana, 1; Maryland, 2; Massachusetts, 1; Eastern Michigan, 1; Southern Mississippi, 1; Western Missouri, 1; New Jersey, 1; Eastern New York, 2; Southern New York, 6; Eastern North Carolina, 1; Western North Carolina, 1; Middle North Carolina, 1\*; Northern Ohio, 1; Eastern Pennsylvania, 3; Middle

\*Denotes a judgeship not recommended March 13 by the Judicial Conference of the United States.

Pennsylvania, 1; Western Pennsylvania, 2; Puerto Rico, 1; South Carolina (to serve in Eastern and Western Districts), 1; Eastern Tennessee, 1; Middle Tennessee, 1; Western Tennessee, 1; Northern Texas, 2; Southern Texas, 1; Western Texas, 1.

Created five temporary district court judgeships: Eastern Michigan, 1; Nevada, 1; Northern Ohio, 1; Southern Ohio, 1; Washington (to serve in Eastern and Western Districts), 1.

Made permanent three temporary district judgeships in Middle Georgia, New Mexico and Western Pennsylvania.

### AMENDMENTS REJECTED

April 19 -- William M. McCulloch (R Ohio) -- Substitute a bill to create only three new circuit court judgeships and 32 new district court judgeships. Voice vote.

John V. Lindsay (R N.Y.) -- Substitute a bill to create nine new circuit court judgeships and 50 new district judgeships. Teller vote, 99-180.

**DEBATE** -- April 19 -- Meader -- "I oppose S 912 which, by diluting and cheapening the office of federal judge through creation of more judgeships than are needed to dispose of federal litigation expeditiously, has cast the taint of the pork barrel on the...judicial system."

Craig Hosmer (R Calif.) -- S 912 should be enacted as reported from committee -- but with the addition of two California district judgeships -- because "congested court calendars and...lack of sufficient judges to try cases, deny citizens' justice, sometimes totally."

**RELATED DEVELOPMENT** -- The Senate Judiciary Improvements in Judicial Machinery Subcommittee April 14 issued a report (S Rept 171) which said that 74 new federal judges could be appointed immediately if all judges already eligible for retirement should resign. Such retirements could ease current court congestion, the report said, but it acknowledged that "many" of the senior judges were performing with efficiency.

## FOREIGN CENTRAL BANKS

The Senate April 18 passed by voice vote, with a committee amendment, a bill (HR 5189) embodying President Kennedy's proposal to help lessen the outflow of gold by unifying the tax treatment accorded to foreign central banks. The bill amended the Internal Revenue Code to exempt all foreign central banks of issue from the U.S. tax on interest earned on investments in U.S. Government obligations unless the obligations were held for commercial purposes. (Existing law exempted only certain foreign central banks.)

The amendment added to the House bill a rider extending until May 15, 1961 the period in which certain persons operating as small business corporations could elect not to be taxed as corporations. It was designed to aid married couples in community property states who had suffered a "hardship" from a Treasury Department ruling that both husbands and wives had to sign an election jointly in order to qualify. It applied to situations in which only one spouse had signed.

**BACKGROUND** -- HR 5189 was passed by the House March 21 (Weekly Report p. 481) and reported, amended, by the Senate Finance Committee (S Rept 163) April 13.

## SPACE COUNCIL

The House April 17 passed by voice vote a bill (HR 6169) making the Vice President a member and chairman of the National Aeronautics and Space Council. President Kennedy had requested the legislation April 10 as a follow-up to his Dec. 20 statement that he would like the incoming Vice President, Lyndon B. Johnson, to take over the position, which had been assigned to the President himself under the National Aeronautics and Space Act of 1958. (Weekly Report p. 652, 25; 1958 Almanac p. 160).

HR 6169 also deleted the 1958 Act's provision for the appointment to the Council of three scientists and one unspecified federal official. Continuing as members of the Council are the Secretaries of State and Defense, the NASA Administrator and the Chairman of the Atomic Energy Commission.

Under HR 6169 the Council was directed to assist, as well as advise, the President on space policies. The 1958 law made the Council responsible for development of a comprehensive program of space activities.

BACKGROUND -- HR 6169 was reported (H Rept 225) April 13 by the House Science and Astronautics Committee. The Senate Aeronautical and Space Sciences Committee reported it, unamended (S Rept 174), April 19.

## VETERANS' HOME LOANS

The House April 13 passed by voice vote and sent to the Senate a bill (HR 5723) extending beyond July 25, 1962 the entitlement of World War II and Korean War veterans to guaranteed and direct home loans. The bill also provided for phasing-out both programs, which are administered by the Veterans Administration. HR 5723 authorized an additional \$1.2 billion for the direct loan program through fiscal 1967, beginning with \$100 million for fiscal 1961.

A motion to send the measure back to the Veterans' Affairs Committee with instructions to report it with an amendment making direct loan funds subject to annual appropriations was offered by Rep. Thomas M. Pelly (R Wash.) but rejected by voice vote.

BACKGROUND -- HR 5723 was reported by the House Veterans' Affairs Committee March 23 (H Rept 194). Enactment of similar legislation was requested by President Kennedy in his special housing message March 9. (Weekly Report p. 529)

PROVISIONS -- As sent to the Senate, HR 5723: Extended World War II and Korean War veterans' entitlement to guaranteed and direct home loans until 10 years from the date of discharge plus an additional period equal to one year for each three months of active duty.

Limited the earliest cut-off date for World War II veterans to July 25, 1962 and the final date to July 25, 1967; similarly, set limits for Korean War veterans at Jan. 31, 1965 and Jan. 31, 1975.

Empowered the Veterans Affairs Administrator to designate a "housing credit shortage area" where private capital for guaranteed loans was not generally available and to grant direct loans in such areas, giving priority to veterans in areas where participation in the guaranteed loan program had been disproportionately low.

Authorized the Secretary of the Treasury to advance to the VA up to \$100 million in fiscal 1961, \$400 million

in fiscal 1962, \$200 million in fiscal 1963, \$150 million in fiscal 1964, \$150 million in fiscal 1965, \$100 million in fiscal 1966 and \$100 million in fiscal 1967 to finance the direct home loan program.

DEBATE -- April 13 -- Pelly -- "In my proposal to eliminate the backdoor method of financing in this bill, the House has an opportunity without any disruption of the veterans' housing program, to return to the (appropriations) procedure envisaged for the framers of our Constitution to maintain control over expenditures in the Legislative Branch."

Olin E. Teague (D Texas), floor manager -- "I would certainly hope that if the Congress is going to change this kind of financing they will not begin with a little old veterans' bill but will consider it...in separate legislation. It would be a mistake and very impractical to change the rules in the middle of the game, especially when we are trying to phase this program out."

E. Ross Adair (R Ind.) -- The programs have made "a net profit to the Treasury" of \$59 million -- a \$74 million profit on direct loans and a \$15 million loss on \$50.3 billion of guaranteed loans.

## SHIP SUBSIDIES

The House April 17 passed by voice vote and sent to the Senate a bill (HR 6100) to permit U.S. passenger ships to receive operating subsidies for cruises during the slack season on their regular routes. The purpose of the bill, according to the committee report, was "to encourage the fullest employment of American-flag passenger vessels on a year round basis, either on their regular routes or on special cruises." The bill was requested by the Commerce Department under both the Eisenhower and Kennedy Administrations.

Chairman Herbert C. Bonner (D N.C.) of the House Merchant Marine and Fisheries Committee said the bill would permit U.S. ships "to receive a share of the growing cruise business to off-season vacation areas now served almost exclusively from the U.S. by foreign-flag ships," which gross about \$46 million during a five-month cruise season. Bonner added that, "The bill will in no way increase the cost of subsidized operations to the Government, but on the contrary, through fuller utilization of space during the slack season on regular routes, should result in substantial savings to both the operators and the Government."

Under existing law U.S. ships can receive operating subsidies only for service on trade routes determined by the Maritime Administration to be "essential" to U.S. foreign commerce. The subsidies represent the difference between U.S. shipping companies' costs and those of their foreign competitors.

BACKGROUND -- HR 6100 was reported (H Rept 219) by the House Merchant Marine Committee April 12. A similar bill (S 677) was approved by the Senate Commerce Committee April 18.

RELATED DEVELOPMENT -- The House April 17 passed by voice vote a bill (HR 2457 -- H Rept 218) to make clear that a 1960 law (PL 86-607) dealing with subsidies for ship construction also applied to the reconstruction, reconditioning and conversion of U.S. merchant ships. The law increased to 55 percent, from 50 percent, the share of construction costs that could be paid as subsidies by the Government. (1960 Almanac p. 268)



## INTERIOR APPROPRIATION

The House April 18 passed by voice vote an amended bill (HR 6345) making definite appropriations of \$730,511,000 for the Interior Department and related agencies during fiscal 1962. In addition, the bill estimated indefinite appropriations at \$12,808,000 and set the borrowing authority for the Interior Department's helium program at \$10,000,000. The bill included funds for the Agriculture Department's Forest Service and, for the first time, funds for the Health, Education and Welfare Department's Indian health activities.

The bill, which provided regular appropriations for the Interior Department except for power and reclamation activities, appropriated \$29 million less than President Kennedy had requested. He had asked for \$782,387,000, increasing the Eisenhower budget by a net \$59,380,000.

Prior to passage, the House adopted an amendment by John W. McCormack (D Mass.) adding \$1 million to the appropriation for the acquisition of lands for the Minute Man National Historical Park in Lexington and Concord, Mass. The amendment restored the full amount of the budget request of \$2.5 million. McCormack said adoption of his amendment would save the Federal Government a "substantial amount of money" by permitting purchase of the land before it increased in price.

The House rejected, by an 8-67 standing vote, an amendment by William Fitts Ryan (D N.Y.) to deny the Civil War Centennial Commission the use of funds appropriated for fiscal 1962 (\$75,000) unless all of its activities were conducted on a non-segregated basis. Ryan said the amendment was necessary because of an attempt by the Commission to segregate Negro delegates during a commemorative exercise in Charleston, S.C. (Weekly Report p. 640) The amendment was rejected primarily on the grounds that it was inappropriate to an appropriation bill.

**BACKGROUND --** The House Appropriations Committee April 14 reported HR 6345 (H Rept 233), recommending a grand total of \$752,319,000. This was \$2.2 million less than was appropriated in fiscal 1961 and \$30 million less than President Kennedy had requested.

The report said the fiscal 1962 appropriation actually represented an increase of \$101,229,200 over comparable appropriations for fiscal 1961. This increase, it said, was necessary in order to maintain adequately the nation's "great natural resources." The activities covered by HR 6345, the report added, would generate an estimated \$533 million in federal revenues in fiscal 1962, \$113.5 million more than in the preceding year.

The President's request, in his March 24 budget message, that Congress give each federal agency broad authority to transfer funds and personnel to meet "unforeseen high priority requirements," the report said, had not been approved by the Committee because of an existing "moderate degree of built-in flexibility" in appropriation measures and limited transfer authority to meet "natural catastrophe emergencies." The Interior bill was the first appropriation measure in which the request was considered. (Weekly Report p. 555)

The Committee recommended \$35,000,000 for the construction of Indian facilities, including schools -- an increase of \$18,735,000 over the fiscal 1961 appropriation, but a decrease of \$4,561,000 from President Kennedy's budget requests. Mr. Kennedy, who had increased the Eisenhower request for the construction of Indian schools by \$20 million, mentioned the problem of Indian education at his March 8 press conference and in his

March 24 Budget Message. (Weekly Report p. 397, 554) The full amount of the Kennedy request was not allowed, the report said, because the Committee did not believe the Indian Bureau was "in a position to undertake efficiently and effectively" the full program.

The Committee authorized \$35 million, instead of the requested \$60 million, as the maximum amount for helium purchases that could be contracted for annually under the Interior Department's new helium conservation program. (1960 Almanac p. 332) The program was in its initial stages and the Department probably would negotiate contracts with only four firms in fiscal 1962, resulting in expenditures of no more than \$35 million, the report said. The Committee cut the budget request of \$15 million in borrowing authority from the Treasury to \$10 million because the first helium plants would not be completed until October 1962. With an estimated \$5 million available from the current helium fund, that would give the Department a total borrowing authority of \$15 million, the report said.

The Committee recommended \$1,755,000 for research on saline water conversion, the same amount provided in fiscal 1961. In addition, the Committee provided \$4,550,000 to carry out the operational aspects of the saline water program, including \$3,350,000 for construction of the fourth and fifth demonstration plants to be located in Roswell, N.M., and Wrightsville Beach, N.C.

**PROVISIONS --** The breakdown of funds in HR 6345, as passed by the House:

Interior Department	\$452,643,000
Agriculture Department, Forest Service	193,728,000
Health, Education and Welfare Department, Indian health	59,046,000
Other related agencies	25,094,000
<b>TOTAL</b>	<b>\$730,511,000</b>
Indefinite appropriations	(12,808,000)
Borrowing authority (helium program)	(10,000,000)
<b>GRAND TOTAL</b>	<b>\$753,319,000</b>

### AMENDMENT ACCEPTED

April 18 -- McCormack -- Increase by \$1 million -- to \$2.5 million -- the funds for the acquisition of land for the Minute Man National Historical Park in Lexington and Concord, Mass. Voice vote.

### AMENDMENT REJECTED

April 18 -- Ryan -- Deny the use of \$75,000 appropriated for the Civil War Centennial Commission for fiscal 1962, unless all its activities were conducted on a desegregated basis. Standing vote, 8-67.

**DEBATE --** April 18 -- Al Ullman (D Ore.) -- Most of the nation's resources and development programs "repay themselves many times over, either in direct returns...or indirectly through conservation." The funds in the bill "fall short of the level needed to meet the appalling backlog of needs" left by the Eisenhower Administration's "shortsighted" views.

Michael J. Kirwan (D Ohio) -- The funds provided for the helium conservation program are "one of the most important parts of this bill" since the United States "has the only helium supply in the free world."



## PRESIDENT SUBMITS TAX PROGRAM TO CONGRESS

President Kennedy April 20 sent Congress a packet of proposals for tax revision -- some of them highly controversial -- and urged that they be considered "as a unit." As anticipated, the President called for a tax credit to stimulate new investment, amounting to an estimated \$1.7 billion annually. To offset this loss of revenue, he called for higher taxes on foreign income, a withholding tax on dividend and interest income, repeal of the dividend exclusion and credit, tighter rules on business expense deductions, and ordinary-income treatment of gains from the sale of depreciable assets. (For text of message, see p. 687)

These "urgent and obvious tax adjustments," the President said, were a first step to "constructive reform." He promised to send Congress a "comprehensive tax reform program" in 1962, whose major aim would be to reverse the trend to preferential treatment of various groups, "by broadening the tax base and reconsidering the rate structure." Following are the revisions for which he asked immediate consideration.

**Investment Credit.** To stimulate additional spending for new plant and equipment by American industry, the President proposed a tax credit of 15 percent of all new investment in excess of current depreciation allowances, plus 6 percent of such expenditures below that level but in excess of 50 percent of depreciation allowances, with 10 percent on the first \$5,000 of new investment as a minimum credit. The credit, to be taken as an offset against a firm's tax liability, would be separate from and in addition to depreciation of the eligible new investment at cost. It would be limited to such investment in the United States, and would not apply to investment by public utilities other than transportation or to investment in residential construction, apartments and hotels.

Aware of opposition to his proposal within the business community, the President argued its advantages over alternative incentives. A credit for all new investment would entail a heavy revenue loss from "those expenditures which would have been undertaken anyway or represent no new level of effort." The proposed credit was preferable to a cut in the corporation tax rate, he said, because it would apply to individuals and partnerships as well as corporations. As for the incentive of additional first-year depreciation, strongly favored by some businessmen, the President said it would cost the Treasury twice as much as the estimated \$1.7 billion cost of the proposed tax credit, which he said should create about 500,000 jobs.

**Foreign Income.** The President called on Congress to close a series of "loopholes" through which income earned abroad escapes the U.S. tax through deferral or other means. He proposed that: American companies be taxed currently on the undistributed profits of their subsidiaries operating in economically advanced countries (but not in less developed countries); the tax deferral privilege be eliminated for companies that "seek out tax haven methods of operation" anywhere

in the world; foreign investment companies be taxed like domestic companies; exemptions on income earned by Americans living abroad be eliminated or restricted; exclusion from the estate tax of real estate located abroad be terminated. These changes, the President said, would increase revenues by \$250 million a year.

**Withholding.** Estimating that "about \$3 billion of taxable interest and dividends are unreported each year," the President asked for a 20 percent withholding tax on corporate dividends and taxable investment-type interest (bonds, savings accounts), effective Jan. 1, 1962. Under the proposed plan, those paying the dividends and interest would not be required to send withholding statements to the recipients, as is required for wages. Estimated gain in revenue: \$600 million per year.

**Dividend Credit.** The President proposed repeal of provisions, enacted in 1954, permitting taxpayers to exclude the first \$50 in dividends from taxable income and to deduct from their tax payments an amount equal to 4 percent of dividend income over \$50. The 4 percent credit, he said, is "wholly inequitable," since 80 percent of its value goes to persons with incomes over \$10,000, and is not "an efficient stimulus to capital expansion in the form of plant and equipment." Estimated revenue gain: \$450 million per year. (The Senate voted 42-41 in 1960 to repeal the dividend credit, but the House refused to go along.) (1960 Almanac p. 632)

**Expense Accounts.** "Too many firms and individuals have devised means of deducting too many personal living expenses as business expenses, thereby charging a large part of their cost to the Federal Government," said the President. "The slogan -- 'It's deductible' -- should pass from our scene." To help it along, he proposed that such business entertainment outlays as the maintenance of yachts and hunting lodges be "disallowed in full" as tax deductions, and that restrictions be imposed on the deductibility of "business gifts, expenses of business trips combined with vacations, and excessive personal living expenses incurred on business travel away from home," all to take effect Jan. 1, 1962. Estimated revenue gain: \$250 million per year. (The Senate voted 45-39 in 1960 for a similar proposal, but the House refused to accept it.)

**Capital Gains.** The President asked Congress to withdraw capital gains treatment from gains on the disposition of depreciable property, to the extent that depreciation had already been deducted, permitting only the excess of the sales price over the original cost to be treated as a capital gain. Estimated gain from this change (which President Eisenhower also requested): \$200 million annually.

**Other Proposals.** Like his predecessor, President Kennedy asked Congress to tighten rules governing the taxation of cooperatives, to review the tax treatment of fire and casualty insurance companies and mutual savings institutions, and to extend corporation income and excise tax rates scheduled for reduction on July 1,

1961. He asked that the 2-cent-per-gallon tax on aviation gasoline be extended to jet fuels, and that the tax be increased  $\frac{1}{2}$  cent each year, beginning in 1962, until "the portion of the cost of the airways properly allocable to civil aviation is substantially recovered by this tax."

Initial reaction to the President's tax message on Capitol Hill ranged from enthusiasm to sharp criticism. Rep. Thaddeus M. Machrowicz (D Mich.), a member of the tax-writing House Ways and Means Committee, said it was "an excellent message; something we can get through the Committee." But Rep. John W. Byrnes (R Wis.), also a Committee member, said the dividend proposal "moves in the wrong direction." President Keith Funston of the New York Stock Exchange called the proposals "unjust" and urged the public to "make their views known to Congress."

### PRESIDENT'S FARM BILL

Administration-drafted bills to implement President Kennedy's proposed new farm program were introduced in Congress April 18. In the Senate, the Agricultural Act of 1961 (S 1643) was sponsored by Allen J. Ellender (D La.), Chairman of the Senate Agriculture and Forestry Committee. The House version (HR 6400) was sponsored by Harold D. Cooley (D N.C.), Chairman of the House Agriculture Committee. The legislation differed in several respects from the program outlined by the President in his special message to Congress March 16. (Weekly Report p. 427)

In submitting the draft legislation to Congress April 17, the President urged its prompt approval, saying it would "provide the basis for a sound and healthy agricultural economy." The Secretary of Agriculture, Orville L. Freeman, told a press conference the same day that the measure was "no panacea" but was "just a license for hard work." In introducing the bill, Ellender said his Committee would begin hearings "within two weeks." Cooley told the House March 18 that his Committee would hold hearings starting April 24. (For text of President's letter, see p. 692)

As introduced, the bill did not propose specific programs for individual commodities. Instead, it would set up machinery under which farmer advisory committees, working with the Agriculture Secretary, would be authorized to work out programs to stabilize their commodities. The major departure from the original Administration proposal was in the degree of control Congress could exercise over the producers' programs. Originally, it was planned that any program carrying quotas or other production controls worked out by farmer advisory committees and the Agriculture Secretary would be submitted to the producers for a referendum. If approved by two-thirds of those voting, the program would go into effect unless Congress vetoed it within 60 days.

In the final draft bill, the order of referendum and review was reversed. On the advice of farm leaders both in and out of Congress, the Administration wrote in language giving Congress 60 days to review the production control program before it was submitted to a referendum.

Two other major changes also sought to change Congress' role in programs that might result from the enactment of the draft legislation. Under the proposals sent to Congress March 16, the rejection by Congress of a commodity control program would have forced price supports for that commodity down to 50 percent of parity. The draft bill provided that existing laws would

continue in effect if Congress vetoed a commodity program. If the producers rejected a program that had been formulated under the bill and approved by Congress, the 50-percent-of-parity provision would then apply to price supports for that commodity. Price supports could not go higher than 90 percent of parity in any program formulated under the Administration bill.

Another change from original proposals made Congressional review mandatory on nationwide marketing orders and on any regional order establishing quotas or acreage allotments for individual producers. Under current law, strict controls could be applied on a limited regional basis without Congressional review.

Although the draft bill dealt with no specific commodity plans, it did carry one special provision for wheat. If the bill is passed unchanged, wheat producers could work out a control plan immediately for the 1962 wheat crop, approve it in a referendum and put it into operation without Congressional review. If the draft bill is not passed by May 15, the date the Secretary of Agriculture must set the national wheat acreage for the 1962 crop, separate legislation probably would be introduced to govern 1962 production. Under current law, the minimum national wheat acreage the Secretary can set is 55 million acres, an amount almost certain to swell the existing surplus of wheat.

The bill also called for:

Five year extension of the Agricultural Trade Development and Assistance Act (PL 480) permitting sales of surplus farm commodities for foreign currencies and donations of surpluses to underdeveloped nations. The bill called for appropriations of \$7.5 billion to finance foreign currency sales during the period beginning Jan. 1, 1962 and ending Dec. 31, 1966.

Extension and expansion of credit terms for real estate, operating and emergency loans to farmers. Reaffirmation of the Congressional policy of encouraging the organization and growth of farmer co-operatives.

Extension of the Government's school milk program.

### NEW CABINET DEPARTMENT

President Kennedy April 18 sent to Congress draft legislation creating a new Cabinet level Department of Urban Affairs and Housing as requested in the President's March 9 Special Message on Housing. (Weekly Report p. 390)

The request was embodied in bills introduced the same day by Sen. Joseph S. Clark (D Pa.) and Rep. Dante B. Fascell (D Fla.) (S 1623, HR 6433). (For text of the President's letter, p. 692)

Mr. Kennedy said that the new Department would deal with two great national problems: "preventing the appalling deterioration" of urban areas and "insuring the availability of adequate housing for all segments of our population."

Clark said the new Department would be an elevation of the present Housing and Home Finance Agency (of which Robert C. Weaver was the current Administrator) with no new programs, but with additional responsibilities for leadership and coordination. It would have the authority now vested in the Federal Housing Administration, Public Housing Administration, Urban Renewal Administration and Community Facilities Administration. The Federal National Mortgage Association would come under the new Department and the Secretary of Urban Affairs and Housing would become chairman of the FNMA board of directors.

## CIVIL RIGHTS PLEDGES TROUBLE KENNEDY ADMINISTRATION

Three months after taking office, the Kennedy Administration is groping for a solution to the touchy and embarrassing problem of what to do with its own civil rights promises. The Democratic platform adopted in Los Angeles in July 1960 contained the most far-reaching pledges for legislative and executive civil rights action ever made by a major U.S. political party. Kennedy men at that time hastened to tell newsmen that they were largely responsible for the civil rights planks. During the Presidential campaign, Mr. Kennedy and his aides laid considerable stress on civil rights.

The results of both the Presidential and Congressional elections made it apparent that the pledges would be extremely difficult to implement (see below). Since then, the Administration had been caught between a powerful bloc in Congress that it dare not antagonize by too much civil rights activity and civil rights groups who are anxious to see the platform enacted. This Fact Sheet reviews the Administration's civil rights activity and problems during its first three months. (For a summary of civil rights pledges and proposals facing the Administration when it began, see Weekly Report p. 67)

### Situation in Congress

Democratic nominee Kennedy, at a Sept. 1 news conference, announced that he had asked Sen. Joseph S. Clark (D Pa.) and Rep. Emanuel Celler (D N.Y.), chairman of the House Judiciary Committee, to draw up civil rights bills "embodying our platform commitments for introduction at the beginning of the next session." "We will seek the enactment of this bill early in that Congress," Mr. Kennedy said. The platform's civil rights legislative planks were proposals to: eliminate literacy tests and poll taxes where they still existed as voting requirements; require school districts still segregated to submit plans for at least first-step desegregation by 1963 and provide technical and financial assistance to school systems going through desegregation; authorize the Attorney General to file suits seeking court injunctions against deprivation of any civil right; establish a federal Fair Employment Practices Commission; strengthen and make permanent the Civil Rights Commission, due to expire Nov. 8, 1961. (Celler April 19 introduced a bill to extend the Commission, but it was his own bill.)

As of March 1, the Clark-Celler bills were ready. But after several conferences at the White House and the Justice Department, Administration officials were still unable to decide what to do with the bills. A preliminary decision was made that they would not be sent from the White House to Capitol Hill in a message followed by a legislative draft, as had other Kennedy proposals, but would originate with their introduction in the Senate and House by Clark and Celler. Having made this decision, White House strategists were troubled by what, if anything, Clark and Celler should say about the President's position on the bills. If they said nothing, the President would be vulnerable to Republican criticism.

However, it was apparent that pressure for civil rights legislation might cause losses in other areas the Administration considered as important, or more important than civil rights for the time being. Before the 87th Congress opened, the Administration and its Congressional leaders made one decision on timing: they would not raise delay-prone civil rights legislation until other "must" bills had been cleared. In the meantime, the emphasis would be on executive action. Subsequent close votes on almost every major Kennedy request -- feed grains, unemployment compensation, depressed areas, minimum wage -- confirmed that there were no votes to spare on the must bills. Even a semblance of pressure for civil rights legislation could stiffen the resistance of key Southerners being wooed for other measures, and could cost precious votes. In the meantime, other civil rights bills were introduced by several Republicans and Democrats in both chambers, and Republicans criticized the Administration for failing to treat civil rights as "priority" legislation.

### Executive Action

The situation in Congress also caused the Administration to proceed with caution in the executive field. It was evident that civil rights executive action that would directly affect programs which the Administration was asking Congress to approve -- housing and education, for instance -- might put border-state and moderate Southern Congressmen in a position of having to vote against the programs.

During the campaign, Mr. Kennedy repeatedly said that the President should issue an Executive Order designed to guarantee equal opportunity to occupy federally-aided housing. He said this could be done "by a stroke of his pen." President-elect Kennedy chose as his Housing and Home Finance Agency Administrator Robert C. Weaver, a Negro who strongly favored "open occupancy." But the issuance of the Executive Order was delayed, at least until Congress acted on Mr. Kennedy's omnibus housing bill.

Abraham A. Ribicoff, Secretary of Health, Education and Welfare, Feb. 20 stated flatly that the Administration would not withhold any federal education funds from segregated school districts if Congress passed an aid-to-education bill. This was an intentional move to assure Southerners that the Administration would not take such action unless Congress directed it to; Ribicoff also urged Congress not to add the proviso. (Rep. Adam Clayton Powell (D N.Y.), longtime sponsor of an anti-segregation amendment, April 13 announced he would oppose the amendment this year.) (Weekly Report p. 308)

The Administration's executive action has thus far, therefore, been limited to areas not likely to bruise feelings in Congress. Following is a resumé of what it has done:

**Employment** -- The President March 6 issued an Executive Order merging two former executive



committees into a new President's Committee on Equal Employment Opportunity. The Committee was given broadened powers to combat racial discrimination in the employment policies of Government agencies and private firms holding Government contracts. Vice President Lyndon B. Johnson, chairman of the Committee, directed Government agencies to carry out the objectives of the Order and to submit plans for doing so. Replies were publicized as they were received. Members of the Committee held a meeting in Washington April 11 and both Kennedy and Johnson promised action. (Weekly Report p. 391)

One of the first big cases on the Committee's agenda involved a Lockheed Aircraft Corp. plant in Marietta, Ga. which was awarded a new \$1 billion contract March 13. The National Assn. for the Advancement of Colored People subsequently charged in a letter to Johnson that the plant "is operated on a rigid racially segregated basis." Lockheed denied the charges, but Jerry Holleman, Assistant Secretary of Labor and executive director of the Committee, said the complaints would be "thoroughly investigated" and the contract reviewed. Complaints about Lockheed had also been placed before the Committee's predecessor. The NAACP April 7 filed complaints about three more Southern plants.

In addition, several Negroes were hired for top federal posts and a representative of the Civil Service Commission April 2 began a tour of 24 predominantly Negro Southern colleges to encourage qualified students to apply for federal employment. A Labor Department representative made a similar tour in February and March.

**Voting** -- Attorney General Robert F. Kennedy made it clear from the outset that he intended to enforce the provisions of the 1957 and 1960 Civil Rights Acts, which authorized the Government to file suits seeking injunctions against deprivations of voting rights. The first suit under the Kennedy Administration was filed April 13 against Dallas County, Ala. voting registrars. (The Eisenhower Administration filed ten suits between 1957 and Jan. 20, 1961, when it left office; only two of the suits were completely settled before the change of Administration.) On one of the walls in the Attorney General's office, there is a map on which magnetic markers different colors signify the status of each pending voting

rights suit. The Civil Rights Division had a similar map under the previous Administration, and on his second day in office, Mr. Kennedy asked for his own copy.

**School Desegregation** -- The Justice Department Feb. 16 moved into the New Orleans school desegregation dispute by filing suit to compel state officials to release certain federal school funds to the New Orleans school board. The case is still pending, but there has been some compliance in the interim. March 11 the Department filed another suit to restrain Louisiana state legislators from interfering with the school board in carrying out its duties. The Department March 17 became participants -- as a "friend of the court" (*amicus curiae*) -- in four other Louisiana desegregation suits. The courts had already issued injunctions ordering desegregation in each of the suits. The Department's participation at that point was designed to "enable the U.S. to act promptly to head off critical situations before they occur," the Attorney General said.

At his first press conference, held April 7, Attorney General Kennedy rejected the proposal of some civil rights groups that the Government make a more direct attack on segregated schools. There had been suggestions from outside and within the Administration that there was legal authority for the Government itself to file suits seeking court orders for school desegregation (only private persons now bring such suits), that Congress' authorization was not needed. Kennedy said, "I don't believe that we do have that power." He confirmed that the Administration had not made "a final determination as to exactly what we will do" about legislative proposals to give him that power, and made it clear that the Department's emphasis would be on voting rights. (Weekly Report p. 631)

The Attorney General also summarized his Department's approach to legal action in the civil rights field: "I have made it a practice that where we intend to take some action...in the field of civil rights, that I will contact the top officials of the various states where it involves them or their deputies, and inform them that we feel that there is a potential violation of the law, and that we feel that it is our responsibility to take certain action. If they take action voluntarily and clean up the situation, or straighten it out, then it is no longer necessary for the Department of Justice to take action. If they do not then we will move in."

## POSTAL INCREASES

Postmaster General J. Edward Day April 14 asked Congress for postage rate increases, effective July 1, to reduce by \$741 million annually the Post Office deficit. House Post Office and Civil Service Committee Chairman Tom Murray (D Tenn.) April 18 introduced a bill (HR 6418) embodying the Administration proposals, which were similar to those of the Eisenhower Administration. (1960 Almanac p. 73) Day estimated the fiscal 1962 deficit at \$831 million, \$12 million less than was estimated by Mr. Eisenhower. Day attributed the decrease to transportation economies.

Day proposed a one cent per ounce increase on first class and airmail letters, and a one cent increase on post cards and on the first two ounces of individual third class mail. He proposed 1/2 cent per pound and 1/4 cent per copy increases on second class domestic mail, and the

imposition of a flat rate of 1 1/2 cents on popular magazines in addition to weight-distance rates. Other increases would affect book, catalogue, newspaper and non-profit publication mail.

He said the higher rates would provide an additional \$409 million from first class mail, \$14 million from air mail, \$78 million from second class mail, \$212 million from third class mail, and \$28 million from "miscellaneous specialized increases." The other \$90 million of the deficit would be made up by higher charges for other services and parcel post increases to be requested later.

Day, by administrative order, April 13 increased rates on international mail to raise an additional \$16 million annually, effective July 1 (Congressional approval was not required). The order included a more uniform system of parcel rates and increases in the cost of letters, cards and airmail to all countries except Mexico and Canada.



## CONGRESSIONAL, EXECUTIVE SECRECY STILL AT ISSUE

Congressional committees held one-third of their meetings in executive -- or closed -- session during the first three months of 1961.

A Congressional Quarterly study showed that between the opening of Congress Jan. 3 and the beginning of Easter recess March 31, committees held a total of 687 meetings -- 458 in open and 229 in executive session. The score for closed meetings was 33 percent.

Executive sessions, from which the public is barred, include closed hearings at which witnesses testify (usually on security information) and work periods in which the committee marks up legislation or carries on administrative business.

The Senate tallied a slightly higher closed-session score than the House -- 34 percent as opposed to 33 percent for the House. The closed-session score for joint committees was 33 percent. During the three-month period, Senate Committees held 322 meetings -- 212 of which were open to the public. The House during the same period held 335 committee sessions, with 226 open to the public. Joint committees held 30 meetings, 20 in open and 10 in executive session.

Compared with earlier Congressional Quarterly studies, the percentage of executive sessions through March was about average. The high point in recent years came in the 1960 session (Jan. 6-Sept. 1) when the closed session mark was 35 percent (1960 Almanac p. 697). By March 31, 1960, however, the second session of the 86th Congress had held 287 of 952 meetings in executive session for a 30 percent score. The lowest score for a full session -- 30 percent -- was in 1959; the highest score -- 41 percent -- was in 1954.

### Open-Closed Hearings

Following is a year-by-year breakdown of open and closed hearings since 1953, when Congressional Quarterly began its study:

Year	Total Meetings	Number Closed	Percent Closed
1953	2,640	892	35%
1954	3,002	1,243	41
1955	2,940	1,055	36
1956	3,120	1,130	36
1957	2,517	854	34
1958	3,472	1,167	34
1959	3,152	940	30
1960	2,424	840	35
1961 (Jan. 3-March 31)	687	229	33

Forty committees reported meeting during the Jan. 3-March 31 period, of which 17 met at least 20 times. Of this group, the House Ways and Means Committee, which handles tax legislation, had the highest score of executive sessions -- 68 percent. Out of 22 meetings, the

### Ground Rules

The tabulations in the chart excluded: meetings when Congress was not in regular session; meetings outside of Washington, D.C.; meetings of conference committees to reconcile conflicting Senate and House versions of bills; informal meetings without official status; meetings of the House Rules Committee to consider sending legislation to the floor (but Rules Committee meetings for other purposes were included); meetings of the House Appropriations Committee.

Open meetings followed by closed meetings were counted twice -- once in each category. Joint meetings of two separate committees were counted twice -- once for each committee. Morning and afternoon sessions of the same committee were counted only once if the committee covered the same subject in both sessions, and subcommittees of the same parent committee meeting simultaneously were counted separately.

Committee met behind closed doors 15 times. Most of the Ways and Means sessions dealt with either the Administration's highway program or with the temporary extension of unemployment benefits. (Weekly Report p. 311 and p. 493)

The Senate Foreign Relations Committee had the second highest closed session score of this group -- 49 percent; 23 meetings were open to the public and 22 were closed. The Foreign Relations Committee frequently considers information affecting the national security.

During the three-month period the Senate Interstate and Foreign Commerce Committee held the most meetings -- a total of 49, only eight of which were in executive session. Four committees -- Senate Select National Water Resources (since disbanded) and Select Small Business, and the Joint Defense Production and Library Committees -- each held only one meeting, an organizational executive session.

Congressional Quarterly's tabulations are based on information appearing in the Daily Digest section of the Congressional Record, the official journal of Congressional proceedings, and from the committees themselves (see box for ground rules). Section 221 of the Legislative Reorganization Act of 1946 states: "The Joint Committee is authorized and directed to provide for printing in the Daily Record (the Daily Digest of the Congressional Record)...a list of Congressional committee hearings and meetings, the place of meeting and the subject matter; and to cause a brief resumé of Congressional activities for the previous day to be incorporated in the Record."

In practice, however, the provision is often ignored. The House Appropriations Committee, for example, traditionally holds all of its meetings in executive session

# OPEN AND CLOSED CONGRESSIONAL COMMITTEE MEETINGS

## 33 Percent of Committee Meetings Held in Executive Session

	1959 (Jan. 7 - Sept. 15)				1960 (Jan. 6 - Sept. 1)				1961 (Jan. 3 - March 31)			
	OPEN	CLOSED	TOTAL	PERCENT CLOSED	OPEN	CLOSED	TOTAL	PERCENT CLOSED	OPEN	CLOSED	TOTAL	PERCENT CLOSED
<b>Senate Committees</b>												
Aeronautics and Space Sciences	18	11	29	38%	5	9	14	64%	4	3	7	43%
Agriculture and Forestry	24	21	45	47	19	15	34	44	7	6	13	46
Appropriations	131	51	182	28	141	49	190	26	12	2	14	14
Armed Services	33	44	77	57	26	27	53	51	22	14	36	39
Banking and Currency	54	15	69	22	35	11	46	24	17	6	23	26
Commerce	93	27	120	23	93	24	117	20	41	8	49	16
District of Columbia	38	11	49	22	28	8	36	22	4	4	8	50
Finance	25	27	52	52	15	33	48	69	12	7	19	37
Foreign Relations	50	74	124	60	26	46	72	64	23	22	45	49
Government Operations	28	11	39	28	21	12	33	36	11	1	12	8
Interior and Insular Affairs	46	25	71	35	38	22	60	37	16	7	23	30
Judiciary	157	32	189	17	72	18	90	20	15	6	21	29
Labor and Public Welfare	91	36	127	28	24	21	45	47	21	6	27	22
Post Office and Civil Service	25	10	35	29	7	6	13	46	3	4	7	57
Public Works	21	13	34	38	13	12	25	48	4	3	7	43
Rules and Administration	5	19	24	79	11	9	20	45	0	9	9	100
Select Natural Water Resources	4	1	5	20	3	5	8	62	0	1	1	100
Select Small Business	18	1	19	5	16	1	17	6	0	1	1	100
Select Labor-Management	56	4	60	7	--	--	--	--	--	--	--	--
<b>TOTAL</b>	<b>917</b>	<b>433</b>	<b>1,350</b>	<b>32%</b>	<b>593</b>	<b>328</b>	<b>921</b>	<b>36%</b>	<b>212</b>	<b>110</b>	<b>322</b>	<b>34%</b>
<b>House Committees</b>												
Agriculture	110	39	149	26%	72	44	116	38%	15	13	28	46%
Armed Services	120	31	151	21	75	48	123	39	17	11	28	39
Banking and Currency	48	14	62	23	38	18	56	32	9	4	13	31
Commerce	128	20	148	14	103	20	123	16	18	2	20	10
District of Columbia	39	7	46	15	32	11	43	26	2	0	2	0
Education and Labor	83	23	106	22	73	29	102	28	27	15	42	36
Foreign Affairs	32	86	118	73	26	64	90	71	6	10	16	63
Government Operations	61	11	72	15	45	21	66	32	3	8	11	73
House Administration	9	11	20	55	3	5	8	62	2	3	5	60
Interior and Insular Affairs	131	15	146	10	110	22	132	17	31	6	37	16
Judiciary	111	61	172	35	74	47	121	39	16	5	21	24
Merchant Marine and Fisheries	75	13	88	15	58	27	85	32	16	5	21	24
Post Office and Civil Service	60	12	72	17	64	26	90	29	4	5	9	56
Public Works	40	13	53	37	28	20	48	42	14	3	17	18
Rules	15	0	15	0	1	0	1	0	5	0	5	0
Science and Astronautics	80	20	100	20	68	13	81	16	25	1	26	4
Select Small Business	?	?	?	?	11	0	11	0	--	--	--	--
Un-American Activities	?	?	?	?	10	1	11	9	--	--	--	--
Veterans' Affairs	16	4	20	20	38	5	43	12	9	3	12	25
Ways and Means	47	54	101	53	13	57	70	81	7	15	22	68
<b>TOTAL</b>	<b>1,205</b>	<b>434</b>	<b>1,639</b>	<b>26%</b>	<b>942</b>	<b>478</b>	<b>1,420</b>	<b>34%</b>	<b>226</b>	<b>109</b>	<b>335</b>	<b>33%</b>
<b>Joint Committees</b>												
Atomic Energy	51	59	110	54%	38	26	64	41%	14	7	21	33%
Defense Production	1	2	3	67	--	--	--	--	0	1	1	100
Economic Report	37	5	42	12	9	2	11	18	6	1	7	14
Others	1	7	8	88	2	6	8	75	0	1	1	100
<b>TOTAL</b>	<b>90</b>	<b>73</b>	<b>163</b>	<b>45%</b>	<b>49</b>	<b>34</b>	<b>83</b>	<b>41%</b>	<b>20</b>	<b>10</b>	<b>30</b>	<b>33%</b>
<b>Grand Total</b>	<b>2,212</b>	<b>940</b>	<b>3,152</b>	<b>30%</b>	<b>1,584</b>	<b>840</b>	<b>2,424</b>	<b>35%</b>	<b>458</b>	<b>229</b>	<b>687</b>	<b>33%</b>

and reports none. CQ excluded the House Appropriations Committee from its tabulations. The full Committee and its 15 subcommittees meet in executive session because Chairman Clarence Cannon (D Mo.) believes they get more work done and make better use of the limited office space. Most of the other committees report their meetings for publication in the Record, but a few fail to report executive sessions.

## EXECUTIVE SECRECY

Congress has not been the only branch of Government, however, to close its doors on the public. In fact, Congress itself already has tangled with the new Administration over an executive decision to withhold information from a Congressional committee. The case involved an investigation by a subcommittee of the House Government Operations Committee into the conduct of the foreign aid program in Latin America.

The Kennedy Administration, nevertheless, has been sensitive to the problems arising from executive secrecy and has made attempts to meet complaints which have arisen. For instance, at the request of Rep. John E. Moss (D Calif.), critic of "unwarranted executive secrecy," White House Press Secretary Pierre Salinger March 10 met with Moss, other Members of Congress, information officials of various Executive departments and journalists to discuss the problems of access to news and the Administration's policies in this field. On April 10 in Pittsburgh Salinger said the Administration was studying additional methods for informing the public about what was going on in the Government, but he did not give any details.

The Kennedy Administration inherited the Latin America aid investigation problem from its predecessor, but avoided an immediate showdown by asking for, and being granted, time to investigate the situation before it had to act. Rep. Porter Hardy Jr. (D Va.), chairman of

## Official Register

Sen. Jacob K. Javits (R N.Y.) April 6 introduced a bill (S 1530) directing the Civil Service Commission to resume publication of the Official Register of the United States, an annual which listed all federal officials, their salaries and job titles. The Register, which costs about \$30,000 to print, was discontinued in 1960 when Congress cut off funds for it. S 1530 was co-sponsored by Sen. Kenneth B. Keating (R N.Y.).

Javits, in introducing the bill, said many members of the Washington press corps had expressed concern that the discontinuance of the Register "represented an incursion into the traditional freedom of information to which the public is entitled with respect to federal officials." He added that the change in Administration and the "vast turnover of personnel makes it even more essential that such information be accessible to the public."

Revelation that the Register had been discontinued was made Nov. 23, 1960 in a Congressional Quarterly news story. (For listing of appointments to top policy making and administrative posts in the Kennedy Administration, see Weekly Report p. 225 and p. 429.)

## Administration Press Conferences

As of April 14, President Kennedy and each of his 10 Cabinet members had held at least one press conference apiece since taking office Jan. 20. In all, 35 conferences were held. Following is a list, limited to formal press conferences in Washington, D.C., of the dates they were held:

The President -- Jan. 25, Feb. 1, Feb. 8, Feb. 15, March 1, March 15, March 23, April 12.  
 Secretary of State Rusk -- Feb. 6, March 9, March 21 and April 17.  
 Secretary of Treasury Dillon -- Feb. 9.  
 Secretary of Defense McNamara -- Feb. 2.  
 Attorney General Kennedy -- April 6.  
 Postmaster General Day -- Feb. 9.  
 Secretary of the Interior Udall -- Feb. 7, Feb. 14, Feb. 28, March 9 and March 28.  
 Secretary of Agriculture Freeman -- Feb. 27.  
 Secretary of Commerce Hodges -- Jan. 26, Feb. 14, Feb. 28, March 14, March 28, April 4 and April 11.  
 Secretary of Labor Goldberg -- Jan. 23, Feb. 6, Feb. 20, Feb. 23, March 7, March 21, March 24 and April 6.  
 Secretary of Health, Education and Welfare Ribicoff -- Feb. 20.

the Government Operations Foreign Operations and Monetary Affairs Subcommittee, Oct. 31 asked Secretary of State Christian A. Herter to furnish certain investigative reports from the Inspector General's office concerning the operation of the foreign aid program in seven Latin American countries, and particularly the alleged misconduct of John R. Neale, former director of the International Cooperation Administration program in Peru. Herter Nov. 25 refused to release the reports on the grounds that the Subcommittee did not have jurisdiction and President Eisenhower Dec. 2 "certified" or approved the denial stating that disclosure of the reports would not be in the public interest.

The stalemate which resulted was due to conflicting interpretations of the legislation setting up the Inspector General's office. Comptroller General Joseph Campbell Dec. 8 said he had the authority to cut off that office's funds, and would do so, unless the reports were turned over to the Subcommittee. President Eisenhower Dec. 23 said Campbell's interpretation was erroneous, he did not have the authority to cut off the funds, State should continue to disregard the requests and the Treasury Department should continue to supply funds to the Inspector General's office.

The controversy was not resolved before the Eisenhower Administration left office because on Dec. 31 President-elect Kennedy wired Hardy asking him to withdraw the request for the reports in order to permit the new Administration to investigate the matter. Hardy complied Jan. 21 and rescinded his request for the reports.

The Kennedy Administration had not announced the results of its investigation by March 22 when the Hardy Subcommittee resumed hearings. On that day the Subcommittee questioned representatives from State and ICA about Neale's retirement. The witnesses refused answers, citing an order by Secretary of State Dean Rusk forbidding them to discuss a case under investigation. Rusk's order read:

"I am writing this letter to instruct you that you are not authorized to testify concerning the contents of any files of the ICA or the Office of the Inspector General... which relate to an investigation into charges of misconduct on the part of individuals or corporate persons or, more generally, to testify concerning any matter involved in such an investigation carried on by the ICA or the Inspector General..."

Subcommittee members were highly critical of Rusk's order. State Department General Counsel Abram Chayes and Assistant Secretary of State Brooks Hays March 24 told Hardy that the order would be withdrawn. Subsequently, Hardy announced that the Subcommittee and the State Department had worked out a "mutually satisfactory" arrangement which reportedly assured the Subcommittee of any information for which it might specifically ask, but not necessarily the full reports.

In at least one other instance, Members of Congress have criticized Kennedy Administration officials for their treatment of information. In March, the Defense Department proposed an investigation into "leaks" of military documents. The inquiry was to be made by Lt. Gen. Joseph F. Carroll, Air Force Inspector General.

Rep. Moss March 7 wrote Secretary of Defense Robert S. McNamara that there was a "grave danger" that the Carroll inquiry would "cause a renewed emphasis on excessive restrictions of Defense Department information and result in the imposition of the sort of censorship which is repugnant to a democratic system." McNamara March 13 wrote Moss saying the investigation was concerned only with problems connected with classified information.

## Senator Carroll's Bill

Sen. John A. Carroll (D Colo.) April 12 introduced a "freedom of information" bill (S 1567) designed to provide the public, Executive Branch and Congress with greater access to information in federal agencies and bureaus.

Carroll, chairman of the Senate Judiciary Administrative Practice and Procedure Subcommittee, in introducing the bill said many people had been frustrated by the "reluctance of some federal bureaucrats to let go even the simplest and most harmless piece of information" and that the tremendous sums of money being spent by federal agencies was a "trust that should be open to ready and constant review by the taxpayers and their elected representatives."

S 1567 would amend Section 3 of the Administrative Procedure Act of 1946 (5 USC 1001) dealing with the requirements for publication of administrative rules and procedures. It sought to clarify the obligation of federal agencies to publish all their rules and to expand the definition of public records to include all records and documents submitted to an agency, with five exceptions: documents specifically required by statute to be kept secret; documents submitted to an agency in confidence pursuant to statute or published rule; when publication of the document would constitute an unwarranted invasion of personal privacy; where it was in the interest of national defense to keep the documents secret; or where the document was submitted as secret from one agency to another with the request that the secrecy be maintained.

Carroll said the bill was similar to bills introduced in 1960 and supported by the American Bar Assn.

## ASNE, GOP Criticism

The American Society of Newspaper Editors and Republicans April 18 and 19 criticized the Kennedy Administration for the way it had handled information coming from the Executive Branch.

The ASNE, meeting in Washington, D.C., April 18, received a report from its Freedom of Information Committee criticizing in general the Kennedy information policies and singling out the State and Defense Departments for special criticism. The report, presented to the Society's Board of Directors by Committee Chairman Eugene S. Pulliam Jr., managing editor of the Indianapolis News, said "President Kennedy, both before and after his election, was on record in writing as believing in freedom of information and in his duty to see that the people are informed." The report continued: "To date, neither he nor his Administration has lived up to his promise."

In a discussion of the report, the ASNE Board of Directors were reported to have agreed there had been better access to White House officials during the Kennedy Administration than in previous years.

The Pulliam report also criticized Congress for withholding information. The report said House Speaker Sam Rayburn (D Texas) "still hadn't released House travel expenses (and the) Official Register containing federal salaries isn't being printed."

The report said there had been "increasing complaints (of Administration information policies) by the Washington press corps, most of them justified" and that White House Press Secretary Salinger had failed to answer nine questions put to him by the Committee Feb. 15 concerning specific instances of withholding news.

Salinger April 18 answered Pulliam's Feb. 15 letter and cited several instances of "positive evidence of the President's attitude on information," including the fact that he had ordered the U.S. Information Agency to release polls measuring the nation's prestige abroad which had been withheld during the 1960 Presidential campaign by the Eisenhower Administration. Salinger said he agreed with Pulliam that "as much information as possible must be made available to the people."

The criticisms by the Republican party came from Herbert G. Klein, press secretary to former Vice President Richard M. Nixon during the 1960 Presidential campaign and from the publication Battle Line of the Republican National Committee.

Klein April 18 in Chicago said President Kennedy and his staff had done more to "hinder a free flow of information than has any Administration this century." Mr. Kennedy, Klein said, has "appeared on television and issued news statements whenever he has had any story he wanted to put over, but, oppositely he has simultaneously tightened news restrictions on information which does not fit into his domestic propaganda machine."

Salinger April 19 said that Klein's statements indicated he had been "removed from the Washington scene too long."

Battle Line April 19 said there had been a "stepped up censorship drive" in the Defense Department and that the "highly touted but seldom visible 'free access to information program'" of the Kennedy Administration had been constricted by Defense Department officials.



## DEPENDENT CHILDREN AID

COMMITTEE -- Senate Finance.

**ACTION** -- April 14 reported with amendments the Administration's bill (HR 4884 -- S Rept 165) amending Title IV of the Social Security Act to temporarily permit the states to use matching federal grants to aid children of the needy unemployed. (Existing programs covered only children deprived of parental support by death, absence or disability.) HR 4884, one of the President's 16 priority measures, was passed by the House March 10. (Weekly Report p. 421)

The Committee added nine amendments to the House-passed bill. The amendments directly affecting the temporary aid to dependent children program:

Changed the effective date of the program from April 1, 1961 to May 1, 1961 and cut its duration from 15 to 14 months.

Eliminated a provision which required state welfare agencies to work with state vocational education agencies and facilities to encourage retraining of the unemployed parent.

Permitted the states to exclude from aid, as a group, families with an unemployed parent receiving unemployment compensation under the Temporary Extended Unemployment Compensation Act of 1961 (PL 87-6).

The other Committee amendments:

Postponed from July 1, 1961 to 60 days after the close of the next regular session of each state legislature, the effective date of the Health, Education and Welfare Department's Jan. 17, 1961 order cutting off federal funds to the aid to dependent children program in any state which denied relief to children on the grounds that their homes were "unsuitable" but made no provision for removing the children from such homes. (The states cited Jan. 17 by the Department as following such a policy: Arkansas, Florida, Georgia, Michigan, Mississippi, Texas and Virginia.)

Permitted the states, during the temporary program, to use matching federal grants to aid children placed in foster homes by court order. (Existing programs covered only children living with parents or certain specified relatives.)

Increased from 80 percent to 100 percent the federal share of grants to states for training public welfare personnel and extended the program for one year, through June 30, 1963.

Increased from \$12 to \$15 the maximum monthly average payments in which the Federal Government could participate, on a matching basis, for beneficiaries receiving old-age assistance for medical care. (Estimated cost, \$10 million annually.) (1960 Almanac p. 148)

Changed the designation of Title IV of the Social Security Act from "Aid to Dependent Children" to "Grants to States for Aid to Families With Dependent Children."

Authorized the transfer of money appropriated to the Labor Department Employment Security Administration to pay costs involved in borrowing personnel from there to help administer the Temporary Extended Unemployment Compensation Act of 1961 (PL 87-6). (The amendment was requested by the Secretary of Labor.)

The report estimated that if all states participated, about 750,000 children and 250,000 adults would receive benefits under the temporary dependent children aid program and the cost would be \$290 million. It said full participation was considered unlikely and HEW had estimated the actual cost at \$200 million.

Under HR 4884, as under other federal public assistance programs, the Federal Government would pay the first \$14 and the state would pay the next \$3. The Government would pay from 50 percent to 65 percent (depending on per capita income) of the next \$13 and the state would pay the remaining amount.

## ELECTRICAL PRICE FIXING

COMMITTEE -- Senate Judiciary, Antitrust and Monopoly Subcommittee.

**BEGAN HEARINGS** -- On alleged price fixing and bid-rigging in the electrical equipment industry.

**BACKGROUND** -- A federal district court in Philadelphia Feb. 6 and 7 fined 29 electrical manufacturing companies and 45 individuals \$1,924,500 for violating the antitrust laws by selling equipment to the Government at noncompetitive prices and through rigged bids. Seven of the individuals were also sentenced to 30 days imprisonment each. Each of the defendants Dec. 8 had pleaded guilty or no defense to one or more of 14 indictments brought by the Justice Department. (Weekly Report p. 259)

The Justice Department and the Tennessee Valley Authority March 14 filed a joint suit for more than \$12 million in damages against five of the companies. The Department April 11 filed six additional suits against 11 electrical firms in behalf of 13 federal agencies. General Electric Co. and Westinghouse Electric Corp. were named in all seven complaints. (Weekly Report p. 631)

Testimony, scheduled to begin April 13 was postponed until April 17 while Subcommittee members argued over procedure. Sen. Alexander Wiley (R Wis.) April 13 said the hearings should be held in executive session because open hearings would create public "bias and prejudice" before the courts had tried the pending suits and would constitute "a three ring circus". Subcommittee Chairman Estes Kefauver (D Tenn.) said guilt had been established by the admission of the defendants, and that no Subcommittee witness would testify on the issue before the courts: the size of damages. He said witnesses could object to questions which might damage their defense in court. Kefauver said open hearings were necessary because the facts behind price-fixing were not disclosed when a public trial was avoided by the pleas of guilty or no defense.

The Subcommittee April 15 voted 4-4 to uphold Kefauver's ruling in favor of an open session.

**TESTIMONY** -- April 17 -- D.R. Jenkins, Westinghouse turbine department sales manager, said he had attended 18 meetings between August 1956 and early 1959 where competitors agreed on the low bidder for specific Government contracts. Jenkins said the privilege of being low bidder frequently went to the company official who had arranged for the meeting, but the system "didn't work" very well "because this is a dog-eat-dog business."

Two Westinghouse plant managers said they knew nothing about the alleged price-fixing.

Ingersoll-Rand Co. official R.J. Bunch said approximately 25 meetings had been held by competitors in the electrical condenser business in an effort to "get all the competitors to stick to list prices." Bunch said the attempt had been largely unsuccessful.

April 18 -- John Peters of G.E. said he had attended secret meetings with representatives of Westinghouse Electric Corp. and Allis Chalmers to rig bids on large steam turbine generators from 1951 to 1959. He said the meetings had been discontinued because "there was a lot of bickering" and foreign competitors had begun to undercut domestic manufacturers.

R.B. Sellers, representing the Carrier Corp.'s Elliot Co. division, said he had attended meetings with five competitors for 15 years to fix prices on medium turbines. Sellers said the meetings were often ineffective and even when agreement was reached on which company would submit the low bid another manufacturer often got the business.

April 19 -- Leonard B. Gezon, a G.E. marketing manager, said he had attended price fixing meetings for several years. He said G.E. President Robert Paxton was informed in late 1956 or early 1957 that price fixing might be taking place and warned employees that they would be punished if they were meeting with competitors and transferred the informant to another job. Gezon said he attended the price fixing meetings on orders from his superiors and was demoted in 1959 after the conspiracy was revealed.

## WATER POLLUTION

COMMITTEE -- House Public Works.

ACTION -- April 18 ordered reported a clean bill (HR 6441) increasing the authorization for federal grants to communities to help them construct sewage treatment plants from \$500 million, under existing law, to \$1 billion. HR 6441 raised the annual limit on the grants from \$50 million to \$100 million and set up a new sliding scale for determining the amount of each grant: 30 percent of the first \$1 million of the estimated cost of the project, 15 percent of the next \$2 million and 10 percent of the remainder, or \$800,000, whichever was less. Under existing law, grants were limited to \$250,000 and the scale was a flat 30 percent of the cost.

The bill also increased from \$3 million to \$5 million the federal matching grants to states for administration of water pollution control programs and extended the program for 10 years, through June 30, 1971. In addition, HR 6441 made all navigable and coastal waters subject to federal abatement enforcement authority and authorized the Secretary of Health, Education and Welfare to issue the final order.

Other provisions authorized the construction of joint sewage treatment projects serving more than one municipality, and authorized \$2.4 million in federal grants for these projects; required priority processing of all existing applications for grants under \$250,000; authorized establishment of field research facilities; required that water polluted from discharges from federal facilities be included in any federal report on pollution; and transferred from the Surgeon General to the HEW Secretary the responsibility for the administration of the federal pollution control program.

BACKGROUND -- The Committee March 14-16 and 29 held hearings on a water pollution control bill (HR 4036), sponsored by Rep. John A. Blatnik (D Minn.), chairman

of the Rivers and Harbors Subcommittee. During the hearings, HEW Secretary Abraham A. Ribicoff said the Administration supported the measure, with certain changes. President Eisenhower Feb. 23, 1961 vetoed a water pollution bill which provided \$900 million in federal grants for construction of community sewage plants. (1960 Almanac p. 250)

## COLLEGE AID

COMMITTEE -- House Education and Labor, Special Education Subcommittee.

ACTION -- April 18 sent to the full Committee a clean bill (HR 6483) to provide grants and loans for construction of academic facilities in public and private colleges, and to award college scholarships. The bill was approved by a 4-3 vote, Democrats in favor, Republicans against. Republican Subcommittee members reportedly objected only to the scholarship program. (Weekly Report p. 486)

HR 6483 provided:

Grants of \$180 million and loans of \$120 million annually for five years for construction of college classrooms, laboratories and other academic facilities. Colleges could not use the funds for "sectarian education" or for "religious worship." Colleges could apply for a grant or a long-term loan.

Four-year college scholarships to 212,500 high school graduates over five years. Each scholarship winner could be awarded up to \$1,000 a year, depending on his need, and \$350 a year would be allotted to his college.

Special "Presidential" awards, worth \$1,000 each, to 1,000 high school graduates, based on merit, which would be decided by national competitive test.

BACKGROUND -- The Administration bill (HR 5266) originally considered by the Subcommittee made no provision for grants for college construction. There also was no provision for the "Presidential" awards.

## RULES COMMITTEE ACTION

The House Rules Committee April 17, 18, 19 held hearings on 37 measures regarding fiscal procedures and appropriations and tabled all of the proposals. Among the bills rejected were HR 2397, proposed by Rep. Thomas L. Aghley (D Ohio), to require Members of Congress to file detailed reports on their income and financial holdings, and HR 341, proposed by Rep. Harold R. Collier (R Ill.), to require roll-call votes in final action on all appropriation bills.

Chairman Howard W. Smith (D Va.), April 20 said, "I thought that when they packed the Committee earlier this year, the purpose was to make certain the House would have a chance to express its will on such matters, but the reverse seems to be true." He referred to the House's Jan. 31 vote to increase Committee membership from 12 to 15 (10 Democrats, five Republicans). (Weekly Report p. 170)

## Committee Name Changed

The Senate April 13 adopted a resolution (S Res 117) changing the name of the Senate Interstate and Foreign Commerce Committee to Senate Commerce Committee.

## U.S. TRAVEL SERVICE

COMMITTEE -- House Interstate and Foreign Commerce, Commerce and Finance Subcommittee.

HELD HEARINGS -- March 28-30, April 11-12, on HR 4616 and related bills to encourage foreign travel to the U.S. and to establish a U.S. Travel Service in the Department of Commerce. A similar bill (S 610) was passed by the Senate Feb. 20 (Weekly Report p. 314).

Before the hearings opened, Rep. Francis E. Walter (D Pa.), in a March 23 letter to Interstate and Foreign Commerce Committee Chairman Oren Harris (D Ark.), asked Harris to clarify whether the bill would "relax certain procedures prescribed by the Immigration and Nationality Act in the issuance of visas authorizing aliens to enter the United States temporarily." Walter also requested the Committee to find out from the State Department Passport Office what modifications of current laws were planned, either by new laws or by Executive Order.

TESTIMONY -- March 28 -- Donald A. Petrie, executive vice president of the Hertz Corp., said that foreign visitors, after using U.S. rent-a-car services and "excellent" U.S. highway systems, may want to buy American cars.

March 29 -- Secretary of Commerce Luther H. Hodges said the program "is definitely in our national interests, both as a matter of economics and as a contribution to better international understanding." He said it would help correct the U.S. balance of payments deficit, not only through direct spending by tourists in the U.S., but also by stimulating export trade.

Hodges said the program would be self-supporting, because "surveys have shown that a minimum of 10 percent of money spent by tourists" in the U.S. eventually returned to the Treasury in the form of local, state and federal taxes. "This means that if our program should yield only an increase of 3 to 5 percent over the present \$1 billion level of tourist spending, it would be entirely self-supporting," Hodges said. He asked for "flexible provisions" defining the duties and scope of the proposed Advisory Board. He said, "We do not think we could intelligently spend more than \$3 million the first year." (The Senate bill authorized \$5 million for the first year).

March 30 -- Carroll Hutton of the United Auto Workers (AFL-CIO) said the program should encourage wage earners, as well as upper-income persons, to travel to the U.S. by providing low-cost arrangements.

Hans B. Thunell of the Independent Airlines Assn. said the success of the program would be ensured if adequate offices staffed by experienced personnel were set up overseas, advertising were expanded, and less restrictive charter airplane tour regulations were provided.

April 11 -- S.G. Tipton, president of the Air Transport Assn. of America, said travel to the U.S. was already within the means of many foreigners who did not realize it because of a lack of promotion.

Clayton L. Burwell, president of the Independent Airlines Assn., said Europeans were interested in thrifty "packaged tours" by air but the actual number of tours coming to the U.S. was insignificant. He said one reason for this was the Civil Aeronautics Board's very narrow definition as to what constituted a bona fide charter. He said lower individual rates were authorized only for existing organizations, not for groups formed only for the journey.

Willis G. Lipscomb, of Pan American World Airways, said no government considered its promotion expenditure in the U.S. a subsidy for carriers. He said increased government promotion of travel resulted in greater expenditure by carriers for a larger share of tourist market.

April 12 -- Hodges said American tourist spending abroad accounted for one-third of the balance of payments deficit. He said that even without the problem of gold outflow a national travel program "would be completely justifiable on the basis of promoting the broad range of U.S. business interests affected by tourism."

RELATED DEVELOPMENTS -- April 8 -- The Department of Commerce reported that spending in the U.S. in 1960 by foreign travelers increased to almost \$1 billion over the 1959 total of \$900 million. U.S. tourist spending abroad increased from \$2.4 billion in 1959 to \$2.7 billion in 1960, it said.

April 11 -- Hodges released a Commerce Department report on the proposed U.S. Travel Service. The report suggested a budget of about \$4.6 million, over half of which was to be spent on advertising, with the remaining funds going to sales promotion, research, six overseas travel offices (Paris, London, Frankfurt, Tokyo and one each in Australia and South America), editorial promotion, travel centers, a Washington office and training material for U.S. tourist facilities.

## PATENT POLICIES

The Senate Judiciary, Patents, Trademarks, and Copyrights Subcommittee April 18 began hearings on proposals (S 1084, 1176) to give the U.S. Government exclusive title to inventions developed through Government research contracts.

The Subcommittee April 3 issued a report (S Rept 143) on Government patent policies. It said "patents obtained or processes developed as a by-product of public funds appropriated for general research should be reserved for public use," but failure of Congress to establish "comprehensive standards" on patent rights had led to serious problems.

It said there were laws requiring civilian agencies to give the Government and general public the rights to inventions developed through their research, but the Defense Department, "by executive action alone," allowed patents to be obtained by research contractors "who have already been paid for their work by the billions of dollars appropriated for research." Although Defense Department policy originally covered only military procurement, the report said it now affected broad scientific research in fields which "impinge upon the jurisdiction of civilian agencies." As a result, the report said, "formidable pressures" were brought on "the less 'generous' civilian agencies" to "compel" them to adopt Defense Department policies. (Congress in 1960 rejected an Eisenhower Administration proposal to allow the National Aeronautics and Space Administration to waive title to inventions developed under Government contracts. 1960 Almanac p. 346)

The report said "Congress should not continue to vote enormous defense appropriations for scientific research without assuming responsibility for disposition of the resulting inventions." Pending action, it recommended that the Defense Department, by administrative rules, conform its patent policy to that of the other agencies.

In individual views, Sens. Alexander Wiley (R Wis.) and Roman L. Hruska (R Neb.), said hearings had not been extensive enough to warrant the conclusions.



## INTERNAL SECURITY

COMMITTEE -- House Judiciary.

ACTION -- April 18 reported two bills designed to strengthen the nation's internal security by requiring more rigid registration of foreign agents (HR 470 -- H Rept 246) and broadening the definition of the term "organize" under the Smith Act (HR 3247 -- H Rept 248). The bills were approved April 11.

HR 470 amended the Foreign Agents Registration Act of 1938 to require persons employed by U.S. groups "supervised, directed, controlled or financed, in whole or in substantial part," by foreign governments or parties to register under the Act. Under existing law, such persons did not have to register unless they worked for groups "subsidized" by foreign governments or parties.

HR 3247 defined the Smith Act prohibition against organizing a group advocating forcible overthrow of the Government as applying not only to the initial act of bringing the group into being, but also to continuing organization activities such as recruiting members, re-organizing units and conducting classes. The bill, in effect, overturned part of a June 17, 1957 Supreme Court ruling, in the Yates case, which held that the prohibition against organizing applied only to the initial act of bringing a group into being.

BACKGROUND -- The House in 1959 passed bills identical to HR 470 (HR 6817) and HR 3247 (HR 2369) and the Senate Judiciary Committee in 1960 reported a bill (S 2652) containing provisions corresponding to these bills. There was no Senate floor action on S 2652. (1960 Almanac p. 322)

## HOUSING BILL

COMMITTEE -- Senate Banking and Currency, Housing Subcommittee.

CONCLUDED HEARINGS -- On the Administration's Housing Act of 1961 (S 1478) and other housing proposals. (Weekly Report p. 635) Testimony:

April 13 -- Boris Shishkin, the AFL-CIO's housing specialist, called the Administration bill "a forward looking approach" but said it fell short of current needs. He said the provision that would increase the special assistance fund of the Federal National Mortgage Assn. by \$750 million should be increased to \$3 billion. (The "Fannie Mae" special fund enabled the Government to buy up mortgages held by banks and commercial lending institutions, thus making more capital available for new mortgages.) The figure proposed by the Kennedy Administration would be enough to build or rehabilitate only 75,000 new units, Shishkin said, and should be "increased to at least \$3 billion to be allocated among the various programs of housing for moderate income families."

Shishkin also called for the construction of 400,000 federally subsidized public housing units instead of the 100,000 proposed by the Administration, a 10-year program of grants for urban renewal at the rate of \$625 million per year instead of the Administration's proposed four-year program at the same rate, a 100 percent increase in the Kennedy request for \$50 million in public facility loans and an increase of \$50 million in the President's proposal for a four-year \$1,350,000,000 authorization for direct loans for college housing.

Jack Adair, speaking for the Mortgage Bankers Assn., criticized the provision in the bill authorizing the

Federal Housing Authority to insure no-down payment, 40-year mortgages on homes costing up to \$15,000. "The 40-year mortgage has, we believe, almost nothing to commend it," he said. "It puts the honest borrower at hazard and encourages default by the irresponsible borrower. It seriously increases the lender's risk unless he is merely to act as the risk-free agent of the Government. It deprives the market of a return of funds it needs for the expansion of volume. It is deceptive, unsound and self-defeating."

Adair also criticized the Administration's proposal to provide FHA insurance for \$10,000, 25-year home improvement loans.

Robert M. Morgan of the National Assn. of Mutual Savings Banks supported most of the bill but criticized the 40-year mortgage proposal.

Jack Wood, housing secretary of the National Assn. for the Advancement of Colored People, said, "Federally aided housing programs have spawned a pattern of residential segregation and discrimination that grips this nation like a vise." He said Congress should amend the bill's policy declaration to provide that all "dwelling units, services and other facilities" aided in any way by the Government be available to all American citizens without regard to race, color, religion or national origin."

April 14 -- Robert C. Weaver, Administrator of the Housing and Home Finance Agency, said the Administration had no plans to lower the premium rate on FHA home insurance in the near future. He said the Administration would not object to receiving discretionary authority from Congress to reduce the rate from its current level of one-half of one percent to one-fourth of one percent, but said "it appears unlikely such discretionary authority would be used."

## MIGRANT LABOR

COMMITTEE -- Senate Labor and Public Welfare, Migratory Labor Subcommittee.

HELD HEARINGS -- April 12 and 13 on six bills sponsored by Subcommittee Chairman Harrison A. Williams (D N.J.) to aid U.S. migrant workers. The bills would: amend the Fair Labor Standards Act of 1938 to bar employment of children under 15 in farm work (S 1123); establish a federal program of grants to the states to help educate the children of migrant workers (S 1124); authorize federal grants to the states to assist in the training of migrants in "modern living" -- hygiene, dietetics, etc. (S 1125); provide for federal registration and licensing of crew leaders supplying migrants to farmers and make crew leaders legally responsible for the activities in migrant labor camps (S 1126); authorize grants to expand health programs for migrants (S 1130); and establish a National Citizens Council on Migratory Labor (S 1132). (Weekly Report p. 540).

TESTIMONY -- April 12 -- Secretary of Labor Arthur J. Goldberg said the interstate nature of the work of migrant labor required federal action. He supported the bills, but suggested some changes. He said the Citizens Council should be in the Department of Labor and report to the President through the Secretary of Labor rather than directly and it should exist for five, rather than 12 years. Goldberg said the law for registering crew leaders would be more easily enforced if the Secretary of Labor could prescribe the types of activity for which the crew leaders would be held responsible. He said it was too difficult for crew leaders to determine



the legality of actions under varying state laws. Goldberg said the Labor Department should be empowered to investigate apparent violations of the law.

Goldberg suggested the age limit be set at 14, rather than 15, to bring it in line with the minimum age in other occupations. He said the training for "modern living" program would be more valuable if expanded beyond the health fields, to include fundamental education in reading, writing and simple skills.

Matt Triggs of the American Farm Bureau Federation said the Bureau preferred state legislation to federal legislation on migrant labor since conditions varied from state to state. He said that if the minimum age were to be federally regulated, it should be set at 13 except where the Secretary of Labor determined that the work would be detrimental to the health and welfare of 13-15 year-olds. He said the Secretary should allow the employment of children 11 and 12 under certain circumstances.

Triggs said the crew leader system was declining in use and the imposition of a "burdensome" registering system would hasten its end. He said federal registration and licensing would duplicate such state laws. He opposed the Citizens Council.

Charles Creuziger of the Vegetable Growers Assn. of America said the minimum age for agricultural employment should be 13, and that the registration procedures were too complex. He suggested that certain insurance requirements be substituted for some of the licensing procedures. He opposed the Council.

Kenneth Morefield of United Fresh Fruit and Vegetable Assn. and Florida Fruit and Vegetable Assn. opposed the bills changing the minimum age and registering crew leaders. He said the Citizens Council would diminish the recognition given private groups and other councils on controversial issues. He said under the proposed bill agriculture would be underrepresented on the Council.

Carroll R. Miller of the West Virginia State Horticultural Society, which is a member of the Appalachian Apple Service, opposed the licensing bill. He said it would make the Secretary of Labor "prosecutor, judge and jury" with regard to licensing crew leaders. He also said the Council was unnecessary.

April 13 -- Abraham A. Ribicoff, Secretary of Health, Education and Welfare, said the Administration supported the objectives of the three bills on education and health programs for migrants (S 1124, S 1125, S 1130). He said the two bills on education should be combined.

Mrs. Mary Condon Gereau of the Department of Rural Education of the National Education Assn. supported the bills but said she questioned the adequacy of the appropriations. She recommended that provision be made for teacher-in-service training in the skills necessary to teach migrant children.

Others who supported the legislation and said more funds should be authorized were: the AFL-CIO, National Child Labor Committee, Council for Christian Social Action of the United Church of Christ, National Council of Churches of Christ in the U.S.A., National Council of Jewish Women, National Consumers League, Pennsylvania State Committee on Migratory Labor, Committee of Officials on Migratory Farm Labor of the Atlantic Seaboard States, and the International Assn. of Government Labor Officials, a national organization of state labor commissioners.

Other groups who testified were: the Virginia Apple Growers Assn., National Catholic Rural Life Conference,

American Public Health Assn., American Federation of Teachers (AFL-CIO), National Apple Institute and the New Jersey Bureau of Migrant Labor.

**RELATED DEVELOPMENT** -- The House Agriculture Committee April 18 ordered reported a bill (HR 2010) to extend for two years the Mexican Labor Act (PL 82-78). The Administration opposed extension of the Act unless changed to give specific protection to domestic migrant laborers. An Administration bill to restrict the types of work that Mexicans could do, and ensuring hiring priority of Americans over Mexicans was defeated 25-3. Reps. Merwin Coad (D Iowa), Lester R. Johnson (D Wis.), and Daniel K. Inouye (D Hawaii) voted for the Administration bill. Coad, Johnson, and Inouye also opposed HR 2010, which was approved 27-3.

## COMMON-SITE PICKETING

**COMMITTEE** -- House Education and Labor, General Labor Subcommittee.

**BEGAN HEARINGS** -- On a bill (HR 2955) providing that when a number of firms are engaged in construction work on the same job or project at a single site, a strike by a union against one of the firms, with employees of other firms refusing to cross the picket lines, would not constitute a secondary boycott, which is illegal. The Supreme Court in 1951 held that it would (Denver case). (Weekly Report p. 547; for Fact Sheet, p. 433)

**TESTIMONY** -- April 17 -- Secretary of Labor Arthur J. Goldberg said the bill was "necessary and desirable". He said the typical building and construction project was "an integrated economic enterprise, in spite of the separate legal personality of the many employers who may be engaged in work on such a site." He said he did not believe anyone could conclude that employers jointly engaged in a construction project were "truly neutral in disputes between other contractors and their employees."

Goldberg reviewed the Denver case, said it was noteworthy that the Supreme Court "relied heavily on the administrative expertise of the National Labor Relations Board," whose decision it upheld, and that the NLRB at that time "had no previous experience with the building and construction industry." He said the ruling invited non-union contractors to "undermine union standards" throughout the country.

AFL-CIO legislative director Andrew J. Biemiller submitted a statement from George Meany, union president, which said enactment of HR 2955 was "long overdue."

April 18 -- E.J. Burke Jr., president of the National Assn. of Home Builders, said passage of HR 2955 would "initiate an entire new period of unrest and conflict in construction labor-management relations." He said the subcontractor, "as a matter of law and practice, is an independent contractor and operates as such."

April 19 -- Charles B. Mahin of the Chamber of Commerce of the U.S. said HR 2955 would "grant a labor official a federal license for economic blackmail," and "tighten the strangle hold the building trades unions now have" on the construction industry.

Charles Keller Jr., representing the Associated General Contractors of America, said his trade organization "strongly" opposed HR 2955 because it would result in more strikes in an industry "already plagued by secondary boycotts." He said "what the country needs is stricter enforcement of existing laws, or the establishment of voluntary procedures to either settle disputes or prevent them from ever happening."

## AT-LARGE HOUSE ELECTIONS THREATENED IN SEVERAL STATES

Two recent developments have raised a strong possibility that a large number of U.S. House Members will be elected statewide in 1962 rather than by the traditional method of separate districts. The first, treated immediately below, is the development of stalemates in many state legislatures considering Congressional redistricting. The second, discussed in a separate section, is a growing movement of referendum petitions to nullify the action of state legislatures in enacting allegedly gerrymandered redistricting laws. (See p. 681)

The result of these movements could be one of the largest turnovers of House membership in the 20th Century, with many House committee chairmen and other prominent Congressional leaders losing their jobs.

### Legislative Stalemates

Deadlocks in state legislatures considering Congressional redistricting could have the most serious effects in states which lose seats under the reapportionment based on the 1960 Census. (1960 Almanac p. 825) If these states fail to redistrict, all their House seats must be filled at large. Barring a sudden wave of compromise solutions, such at-large elections appear quite possible in Alabama, Illinois, Massachusetts, Minnesota and Pennsylvania.

The number of new Representatives at large may be further augmented if, as expected, no agreement is reached on creating new districts for the additional Representatives credited to Michigan, Ohio and Texas under the 1960 Census apportionment. In these states, only the additional Members would be elected at large.

The referendum petition campaigns have raised the possibility of at-large elections in Arkansas, Maryland and California.

Currently, only three states which are entitled to more than one Representative elect any Members at large. They are Connecticut, which since 1932 has elected one Representative at large in addition to five from districts; New Mexico, which has elected its two Representatives at large since 1942; and North Dakota which since 1932 has elected its two Representatives at large but which in 1960 approved a law creating two districts effective with the 1962 elections. (Weekly Report p. 113)

### Precedents

Although the Constitution does not require separate Congressional districts, this appeared to be the general intention of the founding fathers. Alexander Hamilton said June 21, 1788 at the New York convention, "The natural and proper mode of holding (U.S. House) elections will be to divide the state into districts, in proportion to the number to be elected."

In the early years of the Republic, many states elected their entire House delegations at large. The practice has been relatively rare, however, since the

early 1840's. In 1842 Congress passed a law requiring election from separate districts, and even though the practice of separate districts became almost universal, the House never actually enforced compliance by refusing to seat Members elected at large. Once established, the general practice of election by district continued even when the requirement in law for separate districts, which had been written into all reapportionment laws between 1842 and 1911, was omitted from the 1929 reapportionment law and thus expired.

No reapportionment was carried out between 1910 and 1930, so that the reapportionment based on the 1930 Census caused major changes in the sizes of many state's delegations. In four states which lost seats, the legislatures could not agree on a new districting plan and all of the states' Members were elected at large in 1932. These states and their 1930 Census apportionment: Kentucky (9 seats), Minnesota (9 seats), Missouri (13 seats) and Virginia (9 seats). At the same time a total of seven states which gained seats in the 1930 Census apportionment, could not agree on redistricting plans, so that a total of 12 Members from these states were elected at large in 1932. Thus the 73rd Congress (1933-35) had a total of 52 Representatives at large.\* The number was reduced to 9 Representatives at large (from six states) by the time the 74th Congress was elected in 1934.

Since 1932, no large states have permitted their entire delegations to be elected at large. Following the 1940 Census, several states temporarily elected additional Members at large. Only two states -- Texas and Washington -- took this course following the 1950 Census. Both waited until 1957 to carve out districts for their new Members.

### Effects of At-Large Elections

At large elections have several effects which political scientists and practicing politicians are almost unanimous in condemning:

- At large elections are often instrumental in the defeat of senior Members of Congress, some of them committee chairmen, who are well known in their individual districts but not sufficiently well known to survive in a statewide election -- especially if the prevailing political winds in the state are unfavorable to them.

- At large elections destroy close relationships between an individual Member and the special needs and interests of a single Congressional district. It is difficult for a Representative with a large constituency to give proper attention to individual problems.

- At large elections are extremely expensive for the candidates involved. Often the costs are so high that individual candidates may be tempted to make unwise commitments to wealthy and/or especially influential pressure groups.

\*Totals do not include at large Members from states entitled to only one Representative.

- At large elections often encourage Members to desert less glamorous legislative and constituent duties in favor of flashy public relations moves which can win them statewide prominence.

- At large elections make it difficult for Representatives from two-party states to build up seniority, since recurrent sweeps by one party or the other may defeat many incumbent Representatives and cancel out all the seniority they may have accumulated.

## Current Redistricting Status

Sixteen states lose and nine states gain U.S. House Members as a result of the reapportionment based on the 1960 Census. As of April 19, 1961, this was the latest status report on the progress of Congressional redistricting in these states. (For breakdowns on party control of the legislatures and governorships in all states, see Weekly Report p. 20)

**ALABAMA** (from 9 to 8 seats) -- The Legislature convenes in May. Congressional redistricting appears to be deeply embroiled in the issue of state legislature districts. Representatives of heavily-populated Northern Alabama, which is currently underrepresented in the Legislature, have threatened to force the election of Congressmen at large if the so-called "Black Belt" area in Central and Southwestern Alabama, which is currently overrepresented in the Legislature, will not consent to state Legislature redistricting. The Northerners claim the Black Belt would be at a disadvantage in an at-large election of U.S. House Members because of the Northern population dominance. Black Belter have indicated they might be willing to accept election of U.S. House Members at large rather than allow redistricting of the state Legislature.

**ARIZONA** (from 2 to 3) -- A redistricting bill passed by the Legislature in 1947 provided for three districts if the state ever received a third seat. The Democratic-controlled Legislature recently adjourned without changing the 1947 law, which leaves the current 1st District (Phoenix), represented by John J. Rhodes (R), unchanged, but divided the current 2nd District into two parts. The effect will probably be to create a new Democratic district. The population of Rhodes' district will be more than that of the other two districts combined.

**ARKANSAS** (from 6 to 4) -- The General Assembly Jan. 18 passed a redistricting bill (Weekly Report p. 113) which is currently being challenged in a referendum petition. (See p. 681)

**CALIFORNIA** (from 30 to 38) -- Members of the Assembly Elections and Reapportionment Committee recently conferred with incumbent Congressmen of both parties. Some incumbents were reportedly upset by radical changes in their districts in the committee's as-yet confidential plan. Action is expected during May, or at least by June. Republicans have threatened a referendum petition, forcing the state's eight new House Members to run at large, if the plan passed by the Democratic-controlled Legislature is "blindly partisan." (See p. 681)

**FLORIDA** (from 8 to 12) -- The Democratic-controlled Legislature, which came into session April 4, has several Congressional districting plans before it. A plan suggested Jan. 6 by a Legislature redistricting committee

headed by State Sen. John Rawls (D-Marianna) would have carved the 1st District (St. Petersburg, Tampa) into two parts in an apparent effort to defeat the state's sole Republican Congressman, William C. Cramer. Local Democrats pointed out, however, that the Rawls plan might create two Republican districts instead of eliminating Cramer's. General criticism of the gerrymander features of the Rawls plan caused it to be discredited generally.

**HAWAII** (from 1 to 2) -- A bill in the House Judiciary Committee would divide the state into two districts, one consisting of Oahu Island (Honolulu) and the second of the Outer Islands (Kauai, Maui and Hawaii Counties). There is some sentiment in the state, however, for running both Congressional seats at large.

**ILLINOIS** (from 25 to 24) -- The House has passed but the Senate has not yet considered a proposal for a legislative commission to draw new district lines. Meanwhile, behind the scenes, Democrats have come up with a plan to save Chicago a U.S. seat which it would lose on a reapportionment based on districts of relatively equal population. The Democratic plan would combine two currently Republican Districts in Western Illinois, those of Robert B. Chipfield (19th District) and Paul Findley (20th District). It would leave largely untouched two lightly populated districts in Southern Illinois currently held by Democrats George E. Shipley (23rd District) and Kenneth J. Gray (25th District). Republicans have expressed strong distaste for the Democratic proposals. Rep. Edward J. Derwinski (R 4th District -- Chicago) March 16 said that rather than accept the Democratic plan, Republicans in the General Assembly would prevent any legislative action and thus force all the state's 24 Representatives to be elected at large in 1962. The Senate is controlled by the Democrats, 31-27. The Republicans have 89 House seats to 88 for the Democrats, but three Republicans, two of them employees of the Democratic-controlled Cook County Sanitary District, did not vote with their fellow Republicans on organizing the House in January and thus permitted the Democrats to organize. It is questionable whether they would vote with the Republicans on a redistricting showdown.

There have been some reports that Rep. Sidney R. Yates (D 9th District -- Chicago) might be offered a federal judgeship and that his district would then be absorbed into neighboring districts, thus resolving the redistricting problem.

**IOWA** (from 8 to 7) -- Both houses of the Republican-controlled General Assembly have passed redistricting bills, but the House-passed bill has been declared illegal on a technicality and the House must act again. Although they had some differences, both the Senate and House bills combined two currently Democratic districts -- those of Reps. Neal Smith (5th District) and Merwin Coad (6th District) -- leaving all incumbent Republicans without opposition from another incumbent.

**KANSAS** (from 6 to 5) -- The Republican-controlled Legislature April 8 passed a redistricting bill combining the districts of Reps. J. Floyd Breeding (D) and Robert Dole (R). (See p. 684)

**KENTUCKY** (from 8 to 7) -- The General Assembly does not meet until 1962.

**MAINE** (from 3 to 2) -- The Legislature has not yet taken action on redistricting and is not expected to do so until June.



**MARYLAND** (from 7 to 8) -- The Democratic-controlled General Assembly March 9 approved a redistricting bill creating a new Safe Democratic district. The bill is currently being challenged by referendum petition which could force either one or all of the state's Representatives to be elected at large in 1962. (See p. 681)

**MASSACHUSETTS** (from 14 to 12) -- The Democratic-controlled General Court (legislature) and Republican Gov. John A. Volpe are expected to have serious difficulties in reaching a compromise on redistricting. There appears to be general agreement that the 10th District currently represented by Rep. Laurence Curtis (R), will be absorbed into neighboring Democratic territory. Democrats would also like to eliminate the current 5th District, held by Rep. F. Bradford Morse (R). But there is a possibility that Morse might defeat a Democratic incumbent in a combined district. Moreover, it is doubtful whether Volpe would accept a bill seeking to eliminate Morse's district. If no agreement is reached, all of the state's Representatives will be forced to run at large in 1962.

**MICHIGAN** (from 18 to 19) -- Nine plans have been suggested in the Republican-controlled legislature, but none is considered to have much chance. Republicans would not approve a redistricting plan favorable to the Democrats, and Gov. John B. Swainson (D) could be expected to veto a redistricting plan favorable to the Republicans. It is considered likely that the state's new seat will be filled at large in 1962.

**MINNESOTA** (from 9 to 8) -- The Republican-controlled Senate and Democratic-controlled House passed different redistricting bills and were unable to arrive at a compromise in the recent session of the Legislature, which ended April 15. So much legislative business was left unfinished, however, that a special session has been called for later in April. The already-passed redistricting bills will be dead and the legislators will have to start afresh. There is a distinct possibility that agreement will still not be reached, forcing all the state's Congressional seats to be elected at large in 1962.

**MISSISSIPPI** (from 6 to 5) -- The Legislature is not scheduled to meet until 1962.

**MISSOURI** (from 11 to 10) -- A redistricting bill introduced April 13 with the endorsement of Democratic leaders in the Senate would throw Reps. Richard Ichord (D 8th District - Southeast) and Morgan M. Moulder (D 11th District - Central) into one district. The plan would also add strong Democratic areas to the 2nd District (St. Louis County), which is currently represented by Thomas B. Curtis (R). The Democratic plan has the support of Democrats in both St. Louis and Kansas City, and though it may encounter a barrage of amendments on the House and Senate floor, is expected to be passed eventually. If agreement cannot be reached in the regular session, which expires June 30, the Governor might call a special election in the fall to deal with the problem.

**NEBRASKA** (from 4 to 3) -- The unicameral Legislature April 19 gave preliminary approval to a redistricting bill creating two North-to-South Districts with no major changes in the 2nd (new 1st) District (East; Omaha). Rep. Dave Martin (R) will be the only incumbent Representative of the new 3rd District, which covers the Western two-thirds of the state. Reps. Ralph F. Beezmann (R) and Phil Weaver (R) are thrown together in a new 2nd

District, running from North to South and between the new 1st and 3rd Districts. Details will appear in a forthcoming Weekly Report.

**NEW JERSEY** (from 14 to 15) -- A new Governor and Legislature will be elected in November 1961. Since the control of the Legislature is currently divided between a Republican Senate and a Democratic House, with a Democratic Governor, it is considered highly unlikely that either party will allow the other to push through a redistricting bill before the 1961 elections.

**NEW YORK** (from 43 to 41) -- A special session of the Republican-controlled Legislature will be called later in the year to consider redistricting. Republican leaders reportedly favor a plan which would cut New York City from 22 to 19 seats, cut upstate seats from 18 to 17, and increase Long Island from 3 to 5.

**NORTH CAROLINA** (from 12 to 11) -- The redistricting problem is currently under study by committees of the Democratic-controlled Senate and House. Most of the plans introduced would change the boundaries of several districts but place only two Representatives -- Herbert C. Bonner (D 1st District - Northeast) and Harold D. Cooley (D 4th District - Central) -- in a single district. Some changes are contemplated in the already gerrymandered 10th District (West; Charlotte), currently held by Charles Raper Jonas, the state's only Republican Congressman, but these changes are not expected to endanger his re-election.

**OHIO** (from 23 to 24) -- A stalemate on the redistricting problem between Gov. Michael V. DiSalle (D) and the Republican-controlled Legislature is expected to bar any action and force election of the state's additional Representative at large.

**PENNSYLVANIA** (from 30 to 27) -- The Democrats control the governorship and the Houses (by a narrow margin), but the Senate is tied and Republicans could block Democratic-backed legislation. A stalemate on redistricting is thought possible because of the insistence of Rep. William J. Green (D 5th District), the Philadelphia Democratic Chairman, that Philadelphia retain its present six Congressmen even though the city would be entitled to five on the basis of population. Republicans have indicated they would prefer an at-large election to giving in to Green on this issue.

**TEXAS** (from 22 to 23) -- Despite their control of both houses of the Legislature and the governorship, Democrats are not expected to back a redistricting bill to create a new district for the state's additional Representative. One reason may be their reluctance to change the 5th District (Dallas), the largest in the state and the third largest in the Nation, which is currently represented by the state's only Republican Congressman, Bruce Alger (R). Alger's district, with a 1960 population of 951,527, borders on House Speaker Sam Rayburn's 4th District (North Central) which is the smallest in Texas and sixth smallest in the Nation with a population of 216,371.

**WEST VIRGINIA** (from 6 to 5) -- The Democratic-controlled Legislature March 11 passed a bill throwing Reps. Arch A. Moore Jr. (R 1st District - North, Panhandle) and Cleveland M. Bailey (D 3rd District - North Central) together into an expanded new 1st District. (Weekly Report p. 533)

## Ten States Affected:

# REFERENDUM PETITIONS MAY UPSET REDISTRICTING PLANS

The time-honored reform weapons of petition and referendum are being dusted off in at least two states where voter groups are dissatisfied with the Congressional redistricting plans enacted by the state legislature. The petition campaigns in these two states, Maryland and Arkansas, may be the prelude to widespread referendum challenges to alleged gerrymandering by dominant political parties or groups in state legislatures. Ten of the 25 states who gain or lose U.S. Representatives as a result of the 1960 Census have provisions for referendums written into their state constitutions.

In states which are scheduled to gain U.S. House seats under the 1960 Census apportionment, a successful petition campaign against a new redistricting law can have the effect of freezing the current Congressional districts through the 1962 elections and forcing the additional Representatives to be elected at large. This would be the case in Maryland, for instance, if the current petition campaign in that state were successful.

In states which lose Congressional seats under the new apportionment, a successful petition campaign against a new redistricting law could force all of the state's Representatives to be elected at large in 1962. This would be the case in Arkansas, which drops from six to four Representatives under the 1960 apportionment, if the current challenge to the state's new redistricting law were successful.

Even in states which have not yet taken action on Congressional redistricting, the threat of a referendum challenge may be sufficient to dissuade dominant groups from enacting redistricting plans which are too distasteful to minority parties. California Republicans, for example, have put Gov. Edmund G. Brown (D) and the Democratic-controlled Legislature on notice that they will initiate a referendum petition if the Democrats force through a "blindly partisan" redistricting law. Republican state vice chairman Casper W. Weinberger, in making the threat of a referendum petition, April 4 said the inner Democratic circle in the Assembly Elections and Reapportionment Committee has been considering tailoring three Southern California Congressional districts for the benefit of incumbent Democratic Assemblymen who are planning to run for Congress. If the Republicans were to go ahead with a California referendum petition, and obtained the required 262,789 signatures, the state's eight new Representatives would be elected at large in 1962.

If the Maryland, Arkansas and California referendum petitions are symptomatic, many state legislatures may feel a serious restraint on their previously unchallenged right to gerrymander or malapportion Congressional districts for reasons of political convenience. Such a development would parallel increasing chances of federal court involvement in legislative redistricting (see Weekly Report p. 531).

But while the weapon of referendum petition may discourage gerrymandering and reduce malapportionment, it is also available to groups anxious to prevent the establishment of new districts less favorable to their

partisan interests. In states gaining Congressional seats, referendum petitions may postpone the day of thorough redistricting and help some groups to maintain interests protected under current districting. In states losing seats, referendum petitions forcing all the state's Representatives to run at large would, in some situations, make it possible for minority groups or interests to "bullet" their votes and thus achieve a crude form of proportional representation which they feel would be more to their interest.

## Referendum and Initiative Laws

**Referendum** -- Of the 50 states, 21 have referendum laws (see box). Under these laws, if opponents of legislation passed by the legislature can obtain sufficient signatures on petitions, the challenged legislation is placed in abeyance and is submitted to the entire electorate for approval or disapproval in the next general election. This is the procedure currently being attempted in Maryland and Arkansas and being threatened in California.

In 1915, Ohio voters rejected a Congressional redistricting bill passed by the Legislature. The U.S. Supreme Court upheld the constitutionality of the referendum challenge (*Davis v. Ohio*). In 1960, a challenged North Dakota districting law was submitted to the voters of that state in a referendum. The voters upheld the law, however. (Weekly Report p. 112)

**Initiative** -- In 19 of the 21 states, there also are initiative laws which permit citizens' groups to propose new laws themselves. If proponents can obtain sufficient signatures on petitions, the legislation they propose is placed on the next general election ballot for decision by all the state's voters. There is no precedent for initiative campaigns in connection with Congressional districts, but citizens' groups in any of the 19 states listed (see box) could, if they desired, begin an initiative campaign to redraw Congressional lines to their liking.

Since 1930, the initiative procedure has been used with varying degrees of success to remedy alleged malapportionment in the state legislatures of Arkansas, California, Colorado, Oregon and Washington.

Oregon is the only state in which state legislature redistricting by initiative was approved by the voters and remained in effect. The vote was 357,550 in favor and 194,292 opposed to the redistricting initiative proposal in the 1952 general election.

In 1956 the Washington state League of Women Voters, upset about alleged malapportionment in the legislature, obtained 83,661 signatures on an initiative proposal for more equal legislative districts. The measure went on the 1956 ballot and was approved by the voters by a vote of 448,121 in favor and 406,287 opposed. Before the new districts could go into effect, however, rural forces in the legislature forced through a new redistricting law which in effect repealed the initiative proposal. The Washington Supreme Court Dec. 24, 1957 ruled that the

## States Which Have Referendum and Initiative Laws

State	Initiative		Referendum			
	Volers Signatures Necessary for Petitions	Vote Required for Enactment	Submission by		Volers Signatures Necessary for Petitions	Vote Required for Enactment
			Petition	Legislative Action		
* Arizona.....	15%	Majority	X (a)	X (a)	5%	Majority
* Arkansas.....	8% (b)	Majority	X		6% (b)	Majority
* California.....	8% (c)	Majority	X	X (a)	5% (c)	Majority
* Colorado.....	8% (e)	Majority	X	X	5% (e)	Majority
* Idaho.....	10% (f)	Majority	X	X	10% (f)	Majority
* Maine.....	10% (f)	Majority	X	X	10% (f)	Majority
* Maryland.....	Does not use initiative system		X	..	10,000	Majority
* Massachusetts..	3% (f)	Majority & 30% of total votes cast at election	X	..	1 1/2% - 2% (f,g)	Majority (h)
* Michigan.....	8% (f)	Majority	X	X	5% (f)	Majority
* Missouri.....	5%	Majority	X	X	5%	Majority
* Montana.....	8% (i)	Majority	X	X	5% (i)	Majority
* Nebraska.....	7% (j)	Majority & 35% of total votes cast at election	X	..	5% (j)	Majority & 35% of total votes cast at election
Nevada.....	10%	Majority	X	..	10%	Majority
New Mexico.....	Does not use initiative system		X (k)	..	10%-25% (l)	Majority (m)
North Dakota.....	10,000	Majority	X	..	7,000	Majority
* Ohio.....	3%	Majority	X	..	6%	Majority
Oklahoma.....	8%	Majority	X	X	5%	Majority
Oregon.....	8% (n)	Majority	X (o)	X	5% (n)	Majority
South Dakota.....	5%	Majority	X	..	5%	Majority
Utah.....	10%	Majority	X	..	10%	Majority
Washington.....	50,000	Majority & 1/6 of total votes cast at election	X	X	30,000	Majority & 1/6 of total votes cast at election

- (a) Legislative acts not subject to referendum if they contain emergency clause or provide appropriations for state departments or institutions.
- (b) Petition requirements refer to percentage of votes cast for Governor at last preceding election. Also, from each of 15 counties, there must be signatures equal to at least one-half of the designated per cent of the voters of such county.
- (c) Petition requirements refer to percentage of votes cast for Governor at last preceding election. If initiative proposal is for submission to legislature, only 5% is required.
- (d) Legislature may submit to referendum only proposals to amend previously adopted initiative acts.
- (e) Petition requirements refer to percentage of votes cast for Secretary of State at last preceding election.
- (f) Petition requirements refer to percentage of votes cast for Governor at last preceding election.
- (g) 2% if operation of law is to be suspended pending referendum; 1 1/2% otherwise.
- (h) Disapproval of legislation requires not only a majority of vote on the subject, but also at least 30% of votes cast in the election.

- (i) Also must have signatures of 8% of voters on initiative petitions and 5% of voters on referendum petitions in each of two-fifths of the counties.
- (j) Also must have signatures of 5% of voters on petitions in each of two-fifths of the counties.
- (k) Laws cannot be subject to referendum if they are appropriation acts, provide for payment or refunding of debt, maintenance of schools or institutions, or provide for preservation of public health, peace or safety.
- (l) 25% if operation of law is to be suspended; 10% otherwise. Also, petitions must have signatures of like percentages of voters in each of 3/4 of the counties.
- (m) Disapproval of legislation requires not only a majority of votes on the subject, but also at least 30% of votes cast in the election.
- (n) Petition requirements refer to percentage of votes cast for Justice of the Supreme Court at last preceding election.
- (o) Referendum not permitted on laws necessary for immediate preservation of public health, peace or safety.

\*States which gain or lose Representatives as a result of the apportionment based on the 1960 Census.

SOURCE: BOOK OF THE STATES 1954-55, PUBLISHED BY THE COUNCIL OF STATE GOVERNMENTS, CHICAGO, ILL.

legislature had the power to take such action, but the closeness of the court's decision (5 to 4) suggested that another ruling might be made by the court at another time.

In 1960 the California ballot contained an initiative proposal designed to reduce malapportionment in the legislature. The proposal, designed primarily to give increased representation to population-heavy Los Angeles County, ran into heavy opposition in other areas of the state and was defeated by a vote of 1,876,185 in favor, 3,408,090 opposed.

### Maryland Referendum Petition

The current Congressional district referendum petition in Maryland was sparked by the Montgomery County League of Women Voters, who objected to the redistricting plan passed March 9 by the General Assembly with the backing of Gov. J. Millard Tawes (D) and most of the state's Democratic leaders. (Weekly Report p. 437)

The League criticized the plan because, while it divided the currently underrepresented 5th District



(Prince Georges County, Southern Maryland) into two new districts, it did not relieve the underrepresentation of the 6th District (Montgomery County, Western Maryland) and the 2nd District (Suburban Baltimore County) -- both of which were left with populations more than 60 percent above the average for the state's Congressional districts.

A Maryland referendum petition must be signed by 10,000 voters, with no more than half from any one county. If the League's redistricting petition is successful, it will suspend the Assembly-passed redistricting bill and force the state's one new Representative to be elected at large in 1962. The current seven districts would remain intact. Most Maryland observers believe the League will have little difficulty in obtaining the required signatures.

The Maryland Committee for Fair Representation April 12 suggested that the League's referendum proposal be broadened so that candidates for all eight of the state's 1962 House seats would be forced to run at large. This could be achieved by challenging in the referendum petition only the provision of the new law establishing all eight new districts, but leaving unchallenged the language of the law which first abolished all the current districts.

## Arkansas Referendum Petition

The Arkansas Congressional district referendum petition was launched by spokesmen for three Southeast-central counties -- Arkansas, Jefferson and Lincoln, -- which were attached to the new 1st District (Northeast, Delta country) in the redistricting plan approved Jan. 18 by the General Assembly. (Weekly Report p. 113)

All three counties are currently in the 6th District (Southeast), which was represented by W.F. Norrell (D) until his death Feb. 15. The sentiment of the three counties was reflected in a January editorial of the Pine Bluff Commercial, charging that the redistricting plan passed by the General Assembly would "snatch" the three counties "away from the rest of Southern Arkansas and tack them onto the Mississippi River counties of the far Northeast corner of the state," thus insur-

ing that their votes would "be consistently overwhelmed by the voters of the tier of counties stretching up to the Missouri Line."

State Rep. G.D. Smith (D Lincoln County) is the leader of the referendum petition campaign. In order to place the referendum on the 1962 general election ballot, 25,000 signatures must be submitted on petitions by June 8, 1961. Arkansas observers believe prospects for the petition campaign's success are excellent.

There is a possibility, however, that if the petition campaign were successful the Governor might call an early special election to vote on the referendum. If the referendum succeeded in that special election, according to Arkansas observers, he might then call a special session of the General Assembly before the 1962 elections, to re-enact the redistricting bill with an emergency clause which would make it immune to further referendum challenge.

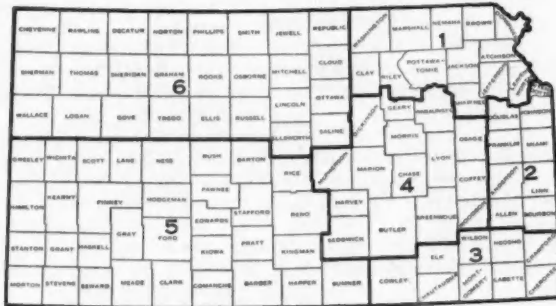
If the campaign is successful, all of the state's six incumbent Congressmen (all of whom are Democrats) would be forced to retire or run at large in the 1962 primary for four seats, since the state loses two of its current six House seats under the 1960 Census apportionment. The incumbent Representatives are E. C. Gathings (1st District), Wilbur D. Mills (2nd District), James W. Trimble (3rd District), Oren Harris (4th District), Dale Alford (5th District) and Mrs. Catherine D. Norrell, who succeeded her husband in the 6th District. Arkansas observers believe that Mills, Harris and Alford are best known statewide and would enter the campaign with an advantage. (If the new redistricting law stands unchallenged, however, Mills and Alford would be in the new 2nd District and one of them would be forced out of Congress. Harris and Mrs. Norrell would compete in the new 4th District.) Gathings and Trimble might encounter the most difficulty in a statewide race. Trimble, however, is close to Gov. Orval Faubus (D) and might be aided by Faubus in a close race. The Congressional primary might be influenced by the Senate primary, to be held the same day, in which observers expect to see Faubus pitted against incumbent Sen. J. W. Fulbright (D).

## Last Year Each State Redistricted Congressional Seats

This chart shows the year that each state last enacted legislation changing the lines of Congressional Districts.

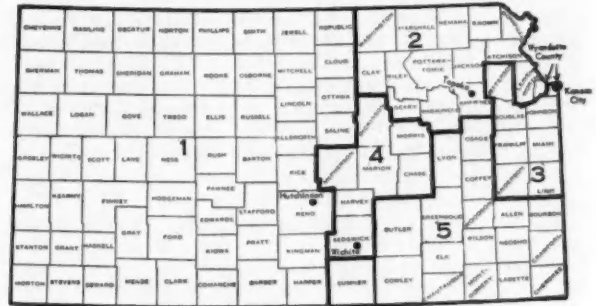
STATE	LAST YEAR	STATE	LAST YEAR	STATE	LAST YEAR
ALABAMA	1931	LOUISIANA	1912	OHIO	1951
ALASKA	1958	MAINE	1931	OKLAHOMA	1951
ARIZONA	1947	MARYLAND	1961	OREGON	1941
ARKANSAS	1961	MASSACHUSETTS	1941	PENNSYLVANIA	1951
CALIFORNIA	1951	MICHIGAN	1951	RHODE ISLAND	1931
COLORADO	1921	MINNESOTA	1933	SOUTH CAROLINA	1932
CONNECTICUT	1931	MISSISSIPPI	1952	SOUTH DAKOTA	1931
DELAWARE	1825	MISSOURI	1952	TENNESSEE	1951
FLORIDA	1951	MONTANA	1917	TEXAS	1957
GEORGIA	1931	NEBRASKA	1941	UTAH	1931
HAWAII	1959	NEVADA	1866	VERMONT	1931
IDAHO	1911	NEW HAMPSHIRE	1881	VIRGINIA	1952
ILLINOIS	1951	NEW JERSEY	1931	WASHINGTON	1957
INDIANA	1941	NEW MEXICO	1911	WEST VIRGINIA	1961
IOWA	1941	NEW YORK	1951	WISCONSIN	1931
KANSAS	1961	NORTH CAROLINA	1941	WYOMING	1890
KENTUCKY	1956	NORTH DAKOTA	1960		

# Kansas -- One Seat Loss



**CURRENT DISTRICTS**

DISTRICT NUMBER	INCUMBENT	POPULATION*
1	William H. Avery (R)	358,852
2	Robert F. Ellsworth (R)	462,207
3	Walter L. McVey (R)	212,520
4	Garner E. Shriver (R)	580,124
5	J. Floyd Breeding (D)	320,202
6	Robert Dole (R)	244,706



**NEW DISTRICTS**

DISTRICT NUMBER	RESIDENT INCUMBENT	POPULATION*	VARIATION FROM AVERAGE	1960 CONGRESS VOTE†
1	Breeding (D)	539,592	+ 23.9%	48.5% 51.5%
2	Avery (R)	446,621	+ 2.5	40.6 59.4
3	Ellsworth (R)	377,406	- 13.4	45.7 54.3
4	Shriver (R)	441,409	+ 1.3	45.2 54.8
5	McVey (R)	373,583	- 14.3	48.1 51.9
NEW STATE AVERAGE		435,722		

\*Based on final official 1960 Census figures.

†Based on the official vote received by major party Congressional candidates within the area of the proposed new districts.

**T**HE Kansas Legislature April 8 approved a bill redistricting the state from six to five Congressional districts in accordance with apportionment based on the 1960 Census. Final action on the bill came just before final adjournment of the 1961 session of the Legislature. Republicans control both houses. Gov. John Anderson Jr. (R) was expected to approve the bill.

Kansas' population grew by 273,312, or 14.3 percent, between 1950 (1,905,299) and 1960 (2,178,611). The increase was not enough, in light of a national population increase of 18.5 percent, to prevent a one-seat loss.

The new 1st District, created out of the present 5th and 6th Districts, becomes one of the larger districts in terms of area in the country; it exceeds 21 states in square miles (over 50,000) and five states in population (539,592). The two incumbents thrown together in the new district are Reps. J. Floyd Breeding (D 5th District), now in his third term, and Robert Dole (R 6th District), a freshman. The district has a slight Republican majority since the normally Republican counties of Republic, Cloud, Ottawa and Saline, which gave Dole a plurality of 7,000 votes in 1960, were included within its borders, while Sumner County, which gave Breeding his largest county plurality (2,328) in 1960, was moved into the new 5th District. Commenting on the new 1st District, Breeding April 8 said: "It is too bad the Legislature doesn't

think Western Kansas is entitled to as much representation as Eastern Kansas."

Another outstanding characteristic of the redistricting bill was the splitting, in a House-Senate conference committee, of the strongly Democratic Wyandotte County (Kansas City) between the new 2nd and 3rd Districts. Kansas City proper, which returned a 10,130 Democratic plurality in the 1960 Congressional election, was placed in the otherwise strongly Republican new 3rd District, and the remainder of Wyandotte County was given to the new 2nd District of Rep. William H. Avery (R). Avery's District returned the highest GOP percentage in the 1960 Congressional election of any Kansas district. This was the first time in the state's history that a county had been split by a Congressional District boundary. State Sen. Joseph McDowell (D of Kansas City) said, "I want to congratulate the conference committee on the finest bit of gerrymandering I've ever seen -- splitting Wyandotte County between two districts."

Republican sources in Kansas say the bill allows for future trends in Kansas' population growth and that the new districts will become more equitable as time passes. They state that within five years at the latest, either the new 2nd or 3rd Districts, rather than the 1st, will have the largest population. Census Bureau figures show that most of Kansas' population growth between

1950 and 1960 was concentrated in the Northeastern part of the state, where the new 2nd and 3rd Districts are located, while Western Kansas, where the disputed new 1st District is located remained relatively static in population.

A Democratic-sponsored bill introduced earlier in the Legislature session had also included a large Western District, almost identical to the one included in the present plan, with the exception of Republic, Cloud, Ottawa and Saline Counties. The Democratic bill also made one District out of Wyandotte, Leavenworth, Johnson and Douglas Counties, and another District out of McPherson, Harvey, Sedgwick and Sumner Counties. Republicans charged the Democratic plan would have created two new Democratic districts.

### District Characteristics

The 1st District (West) is primarily wheat producing prairie country, with sugar beets of secondary importance. Large oil and natural gas deposits and a number of pipe lines have given an economic impetus to the Southwestern part of the District. Hutchinson and Salina are the principal cities.

The 2nd District (Northeast) has diversified farming, with corn the principal crop. Large chemical and rubber plants are situated along the Kansas River near Topeka. Hydro-electric development of the Kansas River promises to make the area an industrial center. Ft.

Leavenworth, Ft. Riley and Forbes Air Force Base give the District a large military population. Topeka is the principal city.

The 3rd District (East) area contains diversified agriculture with small truck farms. Johnson County includes well-to-do suburbs of Kansas City and is the fastest growing area in the state. The principal cities are Kansas City and Lawrence.

The 4th District (Central) has oil as its principal product. There are several aircraft plants around Wichita, the principal city. In agriculture, cattle raising is dominant.

The 5th District (Southeast) contains areas of chronic unemployment, primarily in Crawford and Cherokee Counties where strip mining of coal, lead and zinc has declined. Organized labor has growing influence in the District. The Western counties in the District have grazing and wheat farming as the primary agricultural activities. Emporia is the principal city.

### Political Lineup

The net effect of the redistricting bill will probably be to eliminate the state's single Democratic seat in the House of Representatives. The new 1st District will be rated Leaning Republican. Because of the Wyandotte County split, the 2nd District will be rated as Safe Republican and the 3rd as Leaning Republican. The 4th District will be rated as Leaning Republican and the 5th District will be rated Doubtful Republican.

CQ

### Political Notes

#### NEW JERSEY PRIMARY RESULTS

Former Secretary of Labor James P. Mitchell April 18 won the New Jersey Republican gubernatorial primary election. In his victory statement, Mitchell said he had promises of help for the Nov. 7 general election from former President Dwight D. Eisenhower, former Vice President Richard M. Nixon and New York Governor Nelson A. Rockefeller (R). Mitchell's chief supporter in the primary was Sen. Clifford P. Case (R N.J.), while his principal opponent, state Sen. Walter H. Jones, had the bulk of state organization support. (Weekly Report p. 641)

On the basis of unofficial returns from 4,385 of 4,394 districts, the Republican totals were:

Mitchell	199,280	44.1%
Jones	157,720	34.9
State Sen. Wayne Dumont Jr.	94,486	20.9
Louis Berns	Unreported	

Percentages are based on total vote of first three candidates only.

Former New Jersey Superior Court Judge Richard J. Hughes won the Democratic gubernatorial nomination with only token opposition from two other candidates. Unofficial returns from 4,323 of 4,394 districts:

Hughes	227,163
Weldon R. Sheets	Unreported
Eugene E. Demarest	Unreported

The last week of the Republican contest was enlivened when Dumont April 12 said Jones was involved in a conflict of interest because he had received \$95,000

in legal fees from the Bergen County Sewer Authority which had been empowered by a bill sponsored by Jones in the Senate in the early 1940's. Jones said the charge of conflict of interest was "completely false, libelous and untrue...."

#### MRS. NORRELL ELECTED

Mrs. Catherine D. Norrell (D) April 18 easily won the special election to fill the Arkansas 6th District House seat left vacant by the death of her husband, Rep. W.F. Norrell (D). (Weekly Report p. 641)

Mrs. Norrell defeated four other candidates, all Democrats, for the House seat:

Mrs. Norrell	10,018	43.5%
John Harris Jones	5,714	24.8
M.C. Lewis Jr.	5,352	23.2
James F. Cross	1,658	7.2
Sam D. Carson	296	1.3

(Returns from 305 of 323 precincts)

Mrs. Norrell was born March 30, 1901 in Camden, Ark. She attended high school in Monticello, Ark., still her home. She later attended Ouachita College and the University of Arkansas. Mrs. Norrell is a Baptist.

After her marriage to W.F. Norrell in 1922, Mrs. Norrell actively assisted her husband during his career as state Senator and U.S. Representative. She managed her husband's Congressional office during much of his term in the House. She is a past president of the Congressional Club, an organization for the female relatives of Members of Congress, the Supreme Court and the Cabinet. Mrs. Norrell based much of her campaign on her familiarity with the affairs of Congress and the 6th District.



## PRESSURE POINTS

● **ADA HEAT** -- Americans for Democratic Action have started a campaign designed to "light a fire" under Congress. According to the April issue of ADA's official newspaper, the *ADA World*, about 125,000 "light-a-fire" leaflets have been distributed urging citizens to write their Senators and Representatives demanding action on the Kennedy Administration's economic program. Shopping centers and other public gathering places in New York, New Jersey, Ohio, Michigan, Missouri and California were the main targets for the leaflets, the newspaper said.

● **MOONLIGHTING** -- Officers of the International Assn. of Machinists (AFL-CIO) April 13 warned union members that the practice of holding more than one job was becoming a serious threat to union-won working conditions and was contributing to unemployment.

● **CHURCH SCHOOL AID** -- Protestants and Other Americans United for Separation of Church and State April 18 urged Sens. Joseph S. Clark (D Pa.) and Wayne Morse (D Ore.) to withdraw their bill (S 1482), calling for federal loans to private and parochial schools, on the ground that the Roman Catholic Church had changed its position and was now asking for outright grants. Noting that Frederick C. Hochwalt, education director of the National Catholic Welfare Conference, April 6 had called for grants to non-Public schools, the POAU said a loan bill "is not even half a loaf in the Catholic program." (Weekly Report p. 624)

● **RETAILERS' CAMPAIGN** -- The National Retail Merchants Assn. April 3 urged retailers throughout the country to come to Washington to lobby against the Administration's minimum wage bill (HR 3935). The NRMA's Washington newsletter said the Senate version of the House-passed bill could be defeated, but it would "take a minimum of 500 retailers coming to Washington to do the job." (For Senate action, see p. 659)

● **CALENDAR LOBBYING** -- The Eastern Orthodox Church in the U.S. has started a campaign to get the dates of Good Friday and Easter, as observed by the Orthodox faith, indicated on all calendars. Letters urging such action were sent March 16 to President Kennedy, all Members of Congress, all state governors and to several hundred calendar manufacturers.

● **TEXTILE IMPORTS** -- The Committee for a National Trade Policy April 17 made public a memorandum to the President opposing moves to place new restrictions on textiles imported into the U.S. The Committee, which is composed of 28 executives of manufacturing and importing firms, said the textile industry "has not yet proved a case of serious injury." Reports of the injurious effect of textile imports have been exaggerated, the memorandum said. (Weekly Report p. 489)

● **LONGSHOREMEN'S CONVENTION** -- The International Longshoremen's and Warehousemen's Union, meeting in Honolulu April 3-7, called for a crash program to alleviate unemployment. First, the union said, the income tax should be cut sharply, "particularly at the lower levels of income." Following this, the ILWU said the government "should begin immediately to develop a program to put

unemployed workers to work on government-financed projects at union rates of pay...." In other policy statements, the ILWU condemned a House-passed bill (HR 4469) designed to bar security risks from employment as seamen or longshoremen and called for recognition by the U.S. of the government of Communist China.

## Lobbyist Registrations

Five new registrations filed under the Federal Regulation of Lobbying Act were made public April 7, 1961-April 14, 1961. (For earlier registrations, see Weekly Report p. 632)

Registrations are listed by category (with employers listed alphabetically): Business, Citizens, Farm, Foreign, Individuals, Labor, Military and Veterans, and Professional. Where certain information is not listed (such as legislative interest or compensation), the information was not listed by the registrant.

## Business Groups

● **EMPLOYER** -- The American Waterways Operators Inc., Suite 502, 1025 Conn. Ave. N.W., Washington 6, D.C.  
 Registrant -- ALEXANDER W. WUERKER, 1025 Conn. Ave. N.W., Washington 6, D.C. Filed 4/6/61.  
 Legislative Interest -- "Any legislation affecting the barge and towing vessel industry and water transportation generally."

Compensation -- \$542 quarterly.

Previous Registrations -- Wuerker was the fifth individual to register in the employ of American Waterways Operators Inc. since 1946.

● **EMPLOYER AND REGISTRANT** -- SEALY INC., 666 N. Lake Shore Drive, Chicago 11, Ill. Filed 4/6/61.  
 Legislative Interest -- "S 1396 and HR 6004, bills to amend Sections 5, 45 and others of the Lanham Act."  
 Expenses -- \$8,000 yearly.

● **EMPLOYER** -- Standard Oil Company (N.J.), 30 Rockefeller Plaza, New York 20, N.Y.  
 Registrant -- HENRY B. WILSON, 1612 K St. N.W., Washington 6, D.C. Filed 4/6/61.  
 Legislative Interest -- "...activities in connection with legislative interests affecting employer."  
 Previous Registrations -- Wilson was the third individual to register in the employ of Standard Oil (N.J.) since 1959.

## Farm Groups

● **EMPLOYER AND REGISTRANT** -- MIDLAND COOPERATIVE DAIRY ASSN., Shawano, Wis. and 912 University Bldg., Syracuse 2, N.Y. Filed 4/6/61.  
 Legislative Interest -- "Evaporated milk industry."  
 2. Registrant -- WALTER PAGE, 912 University Bldg., Syracuse 2, N.Y. Filed 4/6/61.  
 Legislative Interest -- Same as above.

## COMPLETE TEXT OF PRESIDENT KENNEDY'S APRIL 20 TAX MESSAGE

*Following is the complete text of President Kennedy's Message on Taxation, transmitted to Congress April 20 (p. 665):*

## TO THE CONGRESS OF THE UNITED STATES:

A strong and sound Federal tax system is essential to America's future. Without such a system, we cannot maintain our defenses and give leadership to the free world. Without such a system, we cannot render the public services necessary for enriching the lives of our people and furthering the growth of our economy.

The tax system must be adequate to meet our public needs. It must meet them fairly, calling on each of us to contribute his proper share to the cost of government. It must encourage efficient use of our resources. It must promote economic stability and stimulate economic growth. Economic expansion in turn creates a growing tax base, thus increasing revenue and thereby enabling us to meet more readily our public needs, as well as our needs as private individuals.

This message recognizes the basic soundness of our tax structure. But it also recognizes the changing needs and standards of our economic and international position, and the constructive reforms needed to keep our tax system up to date and to maintain its equity. Previous messages have emphasized the need for prompt Congressional and Executive action to alleviate the deficit in our international balance of payments -- to increase the modernization, productivity and competitive status of American industry -- to stimulate the expansion and growth of our economy -- to eliminate to the extent possible economic injustice within our own society -- and to maintain the level of revenues requested in my predecessor's Budget. In each of these endeavors, tax policy has an important role to play and necessary tax changes are herein proposed.

The elimination of certain defects and inequities as proposed below will provide revenue gains to offset the tax reductions offered to stimulate the economy. Thus no net loss of revenue is involved in this set of proposals. I wish to emphasize here that they are a "set" -- and that considerations of both revenue and equity, as well as the inter-relationship of many of the proposals, urge their consideration as a unit.

I am instructing the Secretary of the Treasury to furnish the Committee on Ways and Means of the House a detailed explanation of these proposals in connection with their legislative consideration.

## I. LONG-RANGE TAX REFORM

While it is essential that the Congress receive at this time this Administration's proposals for urgent and obvious tax adjustments needed to fulfill the aims listed above, time has not permitted the comprehensive review necessary for a tax structure which is so complicated and so critically important to so many people. This message is but a first though urgent step along the road to constructive reform.

I am directing the Secretary of the Treasury, building on recent tax studies of the Congress, to undertake the research and preparation of a comprehensive tax reform program to be placed before the next session of the Congress.

Progressing from these studies, particularly those of the Committee on Ways and Means and the Joint Economic Committee, the program should be aimed at providing a broader and more uniform tax base, together with an appropriate rate structure. We can thereby work toward the goal of a higher rate of economic growth, a more equitable tax structure, and a simpler tax law. I know these objectives are shared by -- and, at this particular time of year, acutely desired by -- the vast majority of the American people.

In meeting the demands of war finance, the individual income tax moved from a selective tax imposed on the wealthy to the means by which the great majority of our citizens participates in paying for well over one-half of our total budget receipts. It is

supplemented by the corporation income tax, which provides for another quarter of the total.

This emphasis on income taxation has been a sound development. But so many taxpayers have become so preoccupied with so many tax-saving devices that business decisions are interfered with, and the efficient functioning of the price system is distorted.

Moreover, special provisions have developed into an increasing source of preferential treatment to various groups. Whenever one taxpayer is permitted to pay less, someone else must be asked to pay more. The uniform distribution of the tax burden is thereby disturbed and higher rates are made necessary by the narrowing of the tax base. Of course, some departures from uniformity are needed to promote desirable social or economic objectives of overriding importance which can be achieved most effectively through the tax mechanism. But many of the preferences which have developed do not meet such a test and need to be reevaluated in our tax reform program.

It will be a major aim of our tax reform program to reverse this process, by broadening the tax base and reconsidering the rate structure. The result should be a tax system that is more equitable, more efficient and more conducive to economic growth.

## II. TAX INCENTIVE FOR MODERNIZATION AND EXPANSION

The history of our economy has been one of rising productivity, based on improvement in skills, advances in technology, and a growing supply of more efficient tools and equipment. This rise has been reflected in rising wages and standards of living for our workers, as well as a healthy rate of growth for the economy as a whole. It has also been the foundation of our leadership in world markets, even as we enjoyed the highest wage rates in the world.

Today, as we face serious pressure on our balance of payments position, we must give special attention to the modernization of our plant and equipment. Forced to reconstruct after wartime devastation, our friends abroad now possess a modern industrial system helping to make them formidable competitors in world markets. If our own goods are to compete with foreign goods in price and quality, both at home and abroad, we shall need the most efficient plant and equipment.

At the same time, to meet the needs of a growing population and labor force, and to achieve a rising per capita income and employment level, we need a high and rising level of both private and public capital formation. In my preceding messages, I have proposed programs to meet some of our needs for such capital formation in the public area, including investment in intangible capital such as education and research, as well as investment in physical capital such as buildings and highways. I am now proposing additional incentives for the modernization and expansion of private plant and equipment.

Inevitably, capital expansion and modernization -- now frequently under the name of automation -- alter established modes of production. Great benefits result and are distributed widely -- but some hardships result as well. This places heavy responsibilities on public policy, not to retard modernization and capital expansion but to promote growth and ameliorate hardships when they do occur -- to maintain a high level of demand and employment, so that those who are displaced will be reabsorbed quickly into new positions -- and to assist in retraining and finding new jobs for such displaced workers. We are developing, through such measures as the Area Redevelopment Bill and a strengthened Employment Service, as well as assistance to the unemployed, the programs designed to achieve these objectives.

High capital formation can be sustained only by a high and rising level of demand for goods and service. Indeed, the investment incentive itself can contribute materially to achieving the prosperous economy under which this incentive will make its maximum contribution to economic growth. Rather than delaying

its adoption until all excess capacity has disappeared and unemployment is low, we should take this step now to strengthen our anti-recession program, stimulate employment and increase our export markets.

Additional expenditures on plant and equipment will immediately create more jobs in the construction, lumber, steel, cement, machinery and other related capital goods industries. The staffing of these new plants -- and filling the orders for new export markets -- will require additional employees. The additional wages of these workers will help create still more jobs in consumer goods and service industries. The increase in jobs resulting from a full year's operation of such an incentive is estimated at about half a million.

Specifically, therefore, I recommend enactment of an investment tax incentive in the form of a tax credit of

- 15% of all new plant and equipment investment expenditures in excess of current depreciation allowances
- 6% of such expenditures below this level but in excess of 50% of depreciation allowances; with
- 10% on the first \$5,000 of new investment as a minimum credit.

This credit would be taken as an offset against the firm's tax liability, up to an over-all limitation of 30% in the reduction of that liability in any one year. It would be separate from and in addition to depreciation of the eligible new investment at cost. It would be available to individually owned businesses as well as corporate enterprises, and apply to eligible investment expenditures made after January 1 of this year. To remain a real incentive and make a maximum contribution to those areas of capital expansion and modernization where it is most needed, and to permit efficient administration, eligible investment expenditures would be limited to expenditures on new plant and equipment, on assets located in the United States, and on assets with a life of six years or more. Investments by public utilities other than transportation would be excluded, as would be investment in residential construction including apartments and hotels.

Of the eligible firms, it is expected that many small firms would be able to take advantage of the minimum credit of 10% on the first \$5,000 of new investment which is designed to provide a helpful stimulus to the many small businesses in need of modernization. Other small firms, subject to a 30% tax rate, would strive to be eligible for the full 15% credit -- the equivalent for such firms of a deduction from their gross income for tax purposes of 50% of the cost of new investment. Among the remaining firms, it is expected that a majority would be induced to make new investments in modern plant and equipment in excess of their depreciation in order to earn the 15% credit. New and growing firms would be particularly benefitted. The 6% credit for those whose new investment expenditures fall between 50% and 100% of their depreciation allowances is designed to afford some substantial incentive to the depressed or hesitant firm which knows it cannot yet achieve the 15% credit.

In arriving at this form of tax encouragement to investment, careful consideration was given to other alternatives. If the credit were given across-the-board to all new investment, a much larger revenue loss would result from those expenditures which would have been undertaken anyway or represent no new level of effort. Our objective is to provide the largest possible inducement to new investment which would not otherwise be undertaken. Thus the plan recommended above would involve the same revenue loss -- approximately \$1.7 billion -- as only a 7 percent credit across-the-board to all new investment.

The use of current depreciation allowances as the threshold above which the higher rate of credit would apply recommends itself for a number of reasons. Depreciation reflects the average level of investment over the past, but is a less restrictive and more stable test than the use of an average of investment expenditures for a period such as the preceding five years. In addition, the depreciation allowances themselves in effect supply tax-free funds for investment up to this level. We now propose a tax credit -- which would help to secure funds needed for the additional investment beyond that level.

The proposed credit, in terms of the revenue loss involved, will also be much more effective as an inducement to investment than an outright reduction in the rate of corporation income tax. Its benefits would be distributed more broadly, since the proposed credit will apply to individuals and partnerships as well as corporations. It will also be more effective as a direct incentive to corporate investment, and increase available funds more

specifically in those corporations most likely to use them for additional investment. In short, whereas the credit will have the advantage of focusing on the profitability of new investment, much of the revenue loss under a general corporate rate reduction would be diverted into raising the profitability of old investment.

It is true that this advantage of focusing entirely on new investment is shared by the alternative strongly urged by some -- a tax change permitting more rapid depreciation of new assets (be it accelerated depreciation or an additional depreciation allowance for the first year). But the proposed investment credit would be superior, in my view, for a number of reasons. In the first place, the determination of the length of an asset's life and proper methods of depreciation have a normal and important function in determining taxable income, wholly apart from any considerations of incentive; and they should not be altered or manipulated for other purposes that would interfere with this function. It may be that on examination some of the existing depreciation rules will be found to be outmoded and inequitable; but this is a question that should be separated from investment incentives. A review of these rules and methods is underway in the Treasury Department as a part of its over-all tax reform study to determine whether changes are appropriate and, if so, what form they should take. Adoption of the proposed incentive credit would in no way foreclose later action on these aspects of depreciation.

In the second place, an increase in tax depreciation tends to be recorded in the firm's accounts, thereby raising current costs and acting as a deterrent to price reduction. The proposed investment credit would not share this defect.

Finally, it is clear that the tax credit would be more effective in inducing new investment for the same revenue loss. The entire credit would be reflected immediately in the increased funds available for investment without increasing the company's future tax liability. A speed-up in depreciation only postpones the timing of the tax liability on profits from the investment to a later date -- an increase in profitability not comparable to that of an outright tax credit. Yet accelerated depreciation is much more costly in immediate revenues.

For example, on an average investment, a tax credit of 15% would bring the same return to the firm as an additional first year depreciation of over 50% of the cost of the investment. Yet the immediate revenue loss to the Treasury from such additional depreciation would be twice as much, and would remain considerably higher for many years. The incentive to new investment our economy needs, and which this recommendation would provide at a revenue loss of \$1.7 billion, could be supplied by an initial writeoff only at an immediate cost of \$3.4 billion.

I believe this investment tax credit will become a useful and continuous part of our tax structure. But it will be a new venture and remain in need of review. Moreover, it may prove desirable for the Congress to modify the credit from time to time, so as to adapt it to the needs of a changing economy. I strongly urge its adoption in this session.

### III. TAX TREATMENT OF FOREIGN INCOME

Changing economic conditions at home and abroad, the desire to achieve greater equity in taxation, and the strains which have developed in our balance of payments position in the last few years, compel us to examine critically certain features of our tax system which, in conjunction with the tax system of other countries, consistently favor United States private investment abroad compared with investment in our own economy.

1. Elimination of tax deferral privileges in developed countries and "tax haven" deferral privileges in all countries. Profits earned abroad by American firms operating through foreign subsidiaries are, under present tax laws, subject to United States tax only when they are returned to the parent company in the form of dividends. In some cases, this tax deferral has made possible indefinite postponement of the United States tax; and, in those countries where income taxes are lower than in the United States, the ability to defer the payment of U.S. tax by retaining income in the subsidiary companies provides a tax advantage for companies operating through overseas subsidiaries that is not available to companies operating solely in the United States. Many American investors properly made use of this deferral in the conduct of their foreign investment. Though changing conditions now make continuance of the privilege undesirable, such change of policy implies no criticism of the investors who so utilize this privilege.



The undesirability of continuing deferral is underscored where deferral has served as a shelter for tax escape through the unjustifiable use of tax havens such as Switzerland. Recently more and more enterprises organized abroad by American firms have arranged their corporate structures -- aided by artificial arrangements between parent and subsidiary regarding inter-company pricing, the transfer of patent licensing rights, the shifting of management fees, and similar practices which maximize the accumulation of profits in the tax haven -- so as to exploit the multiplicity of foreign tax systems and international agreements in order to reduce sharply or eliminate completely their tax liabilities both at home and abroad.

To the extent that these tax havens and other tax deferral privileges result in U.S. firms investing or locating abroad largely for tax reasons, the efficient allocation of international resources is upset, the initial drain on our already adverse balance of payments is never fully compensated, and profits are retained and re-invested abroad which would otherwise be invested in the United States. Certainly since the postwar reconstruction of Europe and Japan has been completed, there are no longer foreign policy reasons for providing tax incentives for foreign investment in the economically advanced countries.

If we are seeking to curb tax havens, if we recognize that the stimulus of tax deferral is no longer needed for investment in the developed countries, and if we are to emphasize investment in this country in order to stimulate our economy and our plant modernization, as well as ease our balance of payments deficit, we can no longer afford existing tax treatment of foreign income.

I therefore recommend that legislation be adopted which would, after a two step transitional period, tax each year American corporations on their current share of the undistributed profits realized in that year by subsidiary corporations organized in economically advanced countries. This current taxation would also apply to individual shareholders of closely-held corporations in those countries. Since income taxes paid abroad are properly a credit against the United States income tax, this would subject the income from such business activities to essentially the same tax rates as business activities conducted in the United States. To permit firms to adjust their operations to this change, I also recommend that this result be achieved in equal steps over a two-year period, under which only one-half of the profits would be affected during 1962. Where the foreign taxes paid have been close to the U.S. rates, the impact of this change would be small.

This proposal will maintain United States investment in the developed countries at the level justified by market forces. American enterprise abroad will continue to compete with foreign firms. With their access to capital markets at home and abroad, their advanced technical know-how, their energy, resourcefulness and many other advantages, American firms will continue to occupy their rightful place in the markets of the world. While the rate of expansion of some American business operations abroad may be reduced through the withdrawal of tax deferral such reduction would be consistent with the efficient distribution of capital resources in the world, our balance of payments needs, and fairness to competing firms located in our own country.

At the same time, I recommend that tax deferral be continued for income from investment in the developing economies. The free world has a strong obligation to assist in the development of these economies, and private investment has an important contribution to make. Continued income tax deferral for these areas will be helpful in this respect. In addition, the proposed elimination of income tax deferral on United States earnings in industrialized countries should enhance the relative attraction of investment in the less developed countries.

On the other hand, I recommend elimination of the "tax haven" device anywhere in the world, even in the underdeveloped countries, through the elimination of tax deferral privileges for those forms of activities, such as trading, licensing, insurance and others, that typically seek out tax haven methods of operation. There is no valid reason to permit their remaining untaxed regardless of the country in which they are located.

2. Taxation of Foreign Investment Companies. For some years now we have witnessed substantial outflows of capital from the United States into investment companies created abroad whose principal justification lies in the tax benefits which their method of operation produces. I recommend that these tax benefits be removed and that income derived through such foreign investment

companies be treated in substantially the same way as income from domestic investment companies.

3. Taxation of American Citizens Abroad. It is no more justifiable to provide tax exemptions for individuals living in the developed countries than it is to provide tax inducements for capital investment there. Nor should we permit totally unjustified tax benefits to be obtained by those Americans whose choice of residence is dictated primarily by their desire to minimize taxes.

I, therefore, recommend:

- that the total tax exemption now accorded the earned income of American citizens residing abroad be completely terminated for those residing in economically advanced countries;

- that this exemption for earned income be limited to \$20,000 for those residing in the less developed countries; and

- that the exemption of \$20,000 of earned income now accorded those citizens who stay (but do not reside) abroad for 17 out of 18 months also be completely terminated for those living or traveling in the economically advanced countries.

4. Estate Tax on Property Located Abroad. I recommend that the exclusion from the estate tax accorded real property situated abroad be terminated. With the adoption several years ago of the credit for foreign taxes under the estate tax, there is no justification for the continued exemption of such property.

5. Allowance for Foreign Tax on Dividends. Finally, the method by which the credit for foreign income taxes is computed in the case of dividends involves a double allowance for foreign income taxes and should be corrected.

These proposals, along with more detailed and technical changes needed to improve the taxation of foreign income, are expected to reduce substantially our balance of payments deficit and to increase revenues by at least \$250 million per year.

#### IV. CORRECTION OF OTHER STRUCTURAL DEFECTS

I next recommend a number of measures to remove other serious defects in the income tax structure. These changes, while making a beginning toward the comprehensive tax reform program mentioned above, will provide sufficient revenue gains to offset the cost of the investment tax credit and keep the revenue-producing potential of our tax structure intact.

1. Withholding on Interest and Dividends. Our system of combined withholding and voluntary reporting on wages and salaries under the individual income tax has served us well. Introduced during the war when the income tax was extended to millions of new taxpayers, the wage-withholding system has been one of the most important and successful advances in our tax system in recent times. Initial difficulties were quickly overcome, and the new system helped the taxpayer no less than the tax collector.

It is the more unfortunate, therefore, that the application of the withholding principle has remained incomplete. Withholding does not apply to dividends and interest, with the result that substantial amounts of such income, particularly interest, improperly escape taxation. It is estimated that about \$3 billion of taxable interest and dividends are unreported each year. This is patently unfair to those who must as a result bear a larger share of the tax burden. Recipients of dividends and interest should pay their tax no less than those who receive wage and salary income, and the tax should be paid just as promptly. Large continued avoidance of tax on the part of some has a steadily demoralizing effect on the compliance of others.

This gap in reporting has not been appreciably lessened by educational programs. Nor can it be effectively closed by intensified enforcement measures, except by the expenditure of inordinate amounts of time and money. Withholding on corporate dividends and on investment type interest, such as interest paid on taxable government and corporate securities and savings accounts, is both necessary and practicable.

I, therefore, recommend the enactment of legislation to provide for a 20% withholding rate on corporate dividends and taxable investment type interest, effective January 1, 1962, under a system which would not require the preparation of withholding statements to be sent to recipients. It would thus place a relatively light burden of compliance on the payers of interest and dividends -- certainly less than that placed on payers of wages and salaries -- while at the same time largely solving the compliance problem for most of the taxpayers receiving dividends and interest. Steps will also be taken to avoid hardships for recipients who are not subject to tax.

The remaining need for compliance, largely in the high income group subject to a higher tax rate, would be met through the concentration of enforcement devices on taxpayers in these brackets. Introduction of equipment for the automatic processing of information returns would be especially helpful for this purpose and would thus supplement the extension of withholding.

Enactment of this proposal is estimated to increase revenue by \$600 million per year.

2. Repeal of the Dividend Credit and Exclusion. The present law provides for an exclusion from income of the first \$50 of dividends received from domestic corporations, and for a 4% credit against tax of such dividend income in excess of \$50. These provisions were enacted in 1954. Proponents argued that they would encourage capital formation through equity investment, and that they would provide a partial offset to the so-called double taxation of dividend income. It is now clear that they serve neither purpose well; and I, therefore, recommend the repeal of both the dividend credit and exclusion.

The dividend credit and exclusion are not an efficient stimulus to capital expansion in the form of plant and equipment. The revenue losses resulting from these provisions are spread over a large volume of outstanding shares rather than being concentrated on new shares; and the stimulating effects of the provisions are thus greatly diluted, resulting in relatively little increases in the supply of equity funds and a relatively slight reduction in the cost of equity financing. In fact, such reduction as does occur is more likely to benefit large corporations with easy access to the capital market, while being of little use to small firms which are not so favorably situated. Insofar as raising the profitability of new investment in plant and equipment is concerned, the tax investment credit proposed above would be far more effective since it is offered to the corporation, where the actual investment decision is made.

The dividend credit and exclusion are equally inadequate as a solution to the so-called problem of double taxation. Whatever may be the merits of the arguments respecting the existence of double taxation, the provisions of the 1954 Act clearly do not offer an appropriate remedy. They greatly overcompensate the dividend recipient in the high income bracket, while giving either insufficient or no relief to shareholders with smaller income.

This point deserves emphasis. For viewed simply as a means of tax reduction, the dividend credit is wholly inequitable. The distribution of its benefits is highly favorable to the taxpayers in the upper income groups who receive the major part of dividend income. Only about 10 percent of dividend income accrues to those with incomes below \$5,000; about 80 percent of it accrues to that 6.5% of taxpayers whose incomes exceed \$10,000 a year. Similarly, dividend income is a sharply rising fraction of total income as we move up the income scale. Thus, dividend income is about 1 percent of all income from all sources for those taxpayers with incomes of \$3,000 to \$5,000; but it constitutes more than 25 percent of the income for those with \$100,000 to \$150,000 of income, and about 50 percent for those with incomes over \$1,000,000.

The role of the dividend credit should not be confused with the broader question of tax rates applicable to high incomes. These high rates deserve re-examination; and this is one of the problems which will be examined in the context of next year's tax reform. But if top bracket rates were to be reduced, the dividend credit is not the way to do it. Rate reductions, if appropriate, should apply no less to those with high incomes from other sources, such as professional and salaried people whose tax position is particularly difficult today.

If the credit is eliminated, the \$50 exclusion should also be discarded for similar reasons. The tax saving from the exclusion is substantially greater for a dividend recipient with a high income than for a recipient with low income. Moreover, on equity grounds, there is no reason for giving tax reduction to that small fraction of low income taxpayers who receive dividends in contrast to those who must live on wages, interest, rents or other forms of income.

The 1954 formula therefore is a dead-end and should be rescinded, effective December 31 of this year. The estimated revenue gain is \$450 million per year.

3. Expense Accounts. In recent years widespread abuses have developed through the use of the expense account. Too many firms and individuals have devised means of deducting too many personal living expenses as business expenses, thereby charging a large part of their cost to the Federal Government. Indeed, expense account living has become a byword in the American scene.

This is a matter of national concern, affecting not only our public revenues, our sense of fairness, and our respect for the tax system, but our moral and business practices as well. This widespread distortion of our business and social structure is largely a creature of the tax system, and the time has come when our tax laws should cease their encouragement of luxury spending as a charge on the federal treasury. The slogan -- "It's deductible" -- should pass from our scene.

Tighter enforcement of present legislation will not suffice. Even though in some instances entertainment and related expenses have an association with the needs of business, they nevertheless confer substantial tax-free personal benefits to the recipients. In other cases, deductions are obtained by disguising personal expenses as business outlays. But under present law, it is extremely difficult to separate out and disallow such pseudo-business expenditures. New legislation is needed to deal with the problem.

I, therefore, recommend that the cost of such business entertainment and the maintenance of entertainment facilities (such as yachts and hunting lodges) be disallowed in full as a tax deduction and that restrictions be imposed on the deductibility of business gifts, expenses of business trips combined with vacations, and excessive personal living expenses incurred on business travel away from home.

I feel confident that these measures will be welcomed by the American people. I am also confident that business firms, now forced to emulate the expense account favors of their competitors, however unsound or uneconomical such practices may be, will welcome the removal of this pressure. These measures will strengthen both our tax structure and the moral fibre of our society. These provisions should be effective as of January 1, 1962 and are estimated to increase Treasury receipts by at least \$250 million per year.

4. Capital Gains on Sale of Depreciable Business Property. Another flaw which should be corrected at this time relates to the taxation of gains on the sale of depreciable business property. Such gains are now taxed at the preferential rate applicable to capital gains, even though they represent ordinary income.

This situation arises because the statutory rate of depreciation may not coincide with the actual decline in the value of the asset. While the taxpayer holds the property, depreciation is taken as a deduction from ordinary income. Upon its resale, where the amount of depreciation allowable exceeds the decline in the actual value of the asset so that a gain occurs, this gain under present law is taxed at the preferential capital gains rate. The advantages resulting from this practice have been increased by the liberalization of depreciation rates.

Our capital gains concept should not encompass this kind of income. This inquiry should be eliminated, and especially so in view of the proposed investment credit. We should not encourage through tax incentives the further acquisition of such property as long as this loophole remains.

I therefore recommend that capital gains treatment be withdrawn from gains on the disposition of depreciable property, both personal and real property, to the extent that depreciation has been deducted for such property by the seller in previous years, permitting only the excess of the sales price over the original cost to be treated as a capital gain. The remainder should be treated as ordinary income. This reform should immediately become effective as to all sales taking place after the date of enactment. It is estimated to raise revenue by \$200 million annually.

5. Cooperatives and Financial Institutions. Another area of the tax laws which calls for attention is the treatment of cooperatives, private lending institutions, and fire and casualty insurance companies.

Contrary to the intention of Congress, substantial income from certain cooperative enterprises, reflecting business operations, is not being taxed either to the cooperative organization itself or its members. This situation must be corrected in a manner that is fair and just to both the cooperatives and competing businesses.

The present inequity has resulted from court decisions which held patronage refunds in certain forms to be non-taxable. I recommend that the law be clarified so that all earnings are taxable to either the cooperatives or to their patrons, assessing the patron on the earnings that are allocated to him as patronage dividends or refunds in scrip or cash. The withholding principle recommended above should also be applied to patronage dividends or refunds so that the average patron receiving scrip will, in effect, be given the cash to pay his tax on his patronage dividend

or refund. The cooperatives should not be penalized by the assessment of a patronage tax upon dividends or refunds taxable to the patron but left in the business as a substitute for the sale of securities to obtain additional equity capital. The exemption for rural electric cooperatives and credit unions should be continued.

The tax provisions applicable to fire and casualty insurance companies, originally adopted in 1942, need to be reviewed in the light of current conditions. Many of these companies, organized on the mutual or reciprocal basis, are now taxed under a special formula which does not take account of their underwritings gains and thus results in an inequitable distribution of the tax burden among various types of companies. Consideration should be given to taxing mutual or reciprocal companies on a basis similar to stock companies, following the pattern of similar treatment of stock and mutual enterprise in the life insurance field.

Some of the most important types of private savings and lending institutions in the country are accorded tax deductible reserve provisions which substantially reduce or eliminate their Federal income tax liability. These provisions should be reviewed with the aim of assuring non-discriminatory treatment.

Remedial legislation in these fields would enlarge the revenues and contribute to a fair and sound tax structure.

#### V. TAX ADMINISTRATION

One of the major characteristics of our tax system, and one in which we can take a great deal of pride, is that it operates primarily through individual self-assessment. The integrity of such a system depends upon the continued willingness of the people honestly and accurately to discharge this annual price of citizenship. To the extent that some people are dishonest or careless in their dealings with the government, the majority is forced to carry a heavier tax burden.

For voluntary self-assessment to be both meaningful and productive of revenues, the citizens must not only have confidence in the fairness of the tax laws, but also in the uniform and vigorous enforcement of these laws. If non-compliance by the few continues unchecked, the confidence of the many in our self-assessment system will be shaken and one of the cornerstones of our government weakened.

I have in this message already recommended the application of withholding to dividends and interest and revisions to halt the abuses of expense accounts. These measures will improve taxpayer compliance and raise the regard of taxpayers for the fairness of our system. In addition, I propose three further measures to improve the tax enforcement machinery.

1. Taxpayer Account Numbers. The Internal Revenue Service has begun the installation of automatic data processing equipment to improve administration of the growing job of tax collection and enforcement. A system of identifying taxpayer account numbers, which would make possible the bringing together of all tax data for any one particular taxpayer, is an essential part of such an improved collection and enforcement program.

For this purpose, social security numbers would be used by taxpayers already having them. The small minority currently without such numbers would be assigned numbers which these persons could later use as well for social security purposes if needed. The numbers would be entered on tax returns, information returns, and related documents.

I recommend that legislation be enacted to authorize the use of taxpayer account numbers beginning January 1, 1962 to identify taxpayer accounts throughout the processing and record keeping operations of the Internal Revenue Service.

2. Increased Audit Coverage. The examination of tax returns is the essence of the enforcement process. The number of examining personnel of the Internal Revenue Service, however, has been consistently inadequate to cope with the audit workload. Consequently, it has been unable to audit carefully many of the returns which should be so examined. Anticipated growth in our population will, of course, increase this enforcement problem.

Related to broadened tax audit is the criminal enforcement program of the Revenue Service. Here, the guiding principle is the creation of a deterrent to tax evasion and to maintain, or, if possible, increase voluntary compliance with all taxing statutes. This means placing an appropriate degree of investigative emphasis on all types of tax violations, in all geographical areas, and identifying violations of substance in all income brackets regardless of occupation, business or profession.

Within this framework of a balanced enforcement effort, the Service is placing special investigative emphasis on returns filed by persons receiving income from illegal sources. I have directed all Federal law enforcement agencies to cooperate fully with the Attorney General in a drive against organized crime, and to utilize their resources to the maximum extent in conducting investigations of individuals engaged in criminal activity on a major scale. With the foregoing in mind, I have directed the Secretary of the Treasury to provide through the Internal Revenue Service a maximum effort in this field.

To fulfill these requirements for improved audits, enforcement and anti-crime investigation, it is essential that the Service be provided additional resources which will pay their own cost many times over. In furthering the Service's long-range plans, the prior Administration asked additional appropriations of \$27.4 million to hire about 3,500 additional personnel during fiscal 1962, including provisions for the necessary increases in space and modern equipment vital to the efficient operation of the Service. To meet the commitments described above, this Administration reviewed these proposals and recommended that they be increased by another \$7 million and 765 additional personnel to expedite the expansion and criminal enforcement programs. The pending alternative of only 1,995 additional personnel, or less than one-half of the number requested (by) this Administration, would constitute little more than the additional employees needed each year during the 1960's just to keep up with the estimated growth in number and complexity of returns filed. Thus I must again strongly urge the Congress to give its full support to my original request. These increases will safeguard the long-term adequacy of the nation's traditional voluntary compliance system and, at the same time, return the added appropriations several times over in added revenue.

3. Inventory Reporting. It is increasingly apparent that the manipulation of inventories has become a frequent method of avoiding taxes. Current laws and regulations generally permit the use of inventory methods which are acceptable in recognized accounting practice. Deviations from these methods, which are not always easy to detect during examination of tax returns, can often lead to complete non-payment of taxes until the inventories are liquidated; and, for some taxpayers, this represents permanent tax reduction. The understating of the valuation of inventories is the device most frequently used.

I have directed the Internal Revenue Service to give increasing attention to this area of tax avoidance, through a stepped-up emphasis on both the verification of the amounts reported as inventories and an examination of methods used in arriving at their reported valuation.

#### VI. TAX RATE EXTENSION

As recommended by my predecessor, it is again necessary that Congress enact an extension of present corporation income and excise tax rates otherwise scheduled for reduction or termination on July 1, 1961. Such extension has been adopted by the Congress on a number of previous occasions, and our present revenue requirements make such extension absolutely necessary again this year.

In the absence of such legislation, the corporate tax rate would be decreased 5 percentage points, from 52 percent to 47 percent, excise tax rates on distilled spirits, beer, wines, cigarettes, passenger automobiles, automobile parts and accessories, and the transportation of persons would also decline; and the excise tax on general telephone service would expire. We cannot afford the loss of these revenues at this time.

#### VII. AVIATION FUEL

The last item on the agenda relates to aviation fuel. The two previous Administrations have urged that civil aviation, a mature and growing industry, be required to pay a fair share of the costs of operating and improving the Federal airways system. The rapidly mounting costs of these essential services to air transportation makes the imposition of user charges more imperative now than ever before. The most efficient method for recovering a portion of these costs equitably from the airway users is through a tax on aviation fuel. Present law provides for a net tax of 2 cents a gallon on aviation gasoline, but no tax on jet fuel. The freedom from tax of jet fuel is inequitable and is resulting in substantial revenue losses due to the transition to jet power and the resulting decline in gasoline consumption.

My predecessor recommended a flat 4½ cent tax for both aviation gasoline and jet fuels. Such a request, however, appears



to be unrealistic in view of the current financial condition of the airline industry.

Therefore, I recommend:

- extending the present net 2-cent rate on aviation gasoline to jet fuels;
- holding this uniform rate covering both types of fuel at the 2-cent level for fiscal 1962; and
- providing for annual increments in this rate of 1/2 cent after fiscal year 1962 until the portion of the cost of the airways properly allocable to civil aviation is substantially recovered by this tax.

The immediate increase in revenue from this proposal is modest in comparison with anticipated airways costs, and the annual gradation of further increases is intended to moderate the impact of the tax on the air carrier industry. Should future economic or other developments warrant, a more rapid increase in the fuel tax will be recommended. The decline from the revenues estimated by my predecessor is not large, and will be met by the reforms previously proposed. I repeat my earlier recommendation that, consistent with the user charge principle, revenues from the aviation fuels tax be retained in the general fund rather than diverted to the highway trust fund.

#### CONCLUSION

The legislation recommended in this message offers a first step toward the broader objective of tax reform. The immediate need is for encouraging economic growth through modernization and capital expansion, and to remove tax preferences for foreign investment which are no longer needed and which impair our balance of payments position. A beginning is made also toward removing some of the more glaring defects in the tax structure. The revenue gain in these proposals will offset the revenue cost of the investment credit. Finally, certain rate extensions are needed to maintain the revenue potential of our fiscal system.

These items need to be done now; but they are a first step only. They will be followed next year by a second set of proposals, aimed at thorough income tax reform. Their purpose will be to broaden and unify the income tax base, and to review the entire rate structure in the light of these revisions. Let us join in solving these immediate problems in the coming months, and then join in further action to strengthen the foundations of our revenue system.

John F. Kennedy

### PRESIDENT'S FARM BILL

Following is the text of an April 17 letter from the President to the Speaker of the House of Representatives and to the President of the Senate transmitting the Administration's farm bill. (See p. 666)

Dear Mr. Speaker: (Dear Mr. President:)

Transmitted herewith, for consideration by the Congress, is a draft of a bill which would carry out the principal recommendations set forth in my message to the Congress on March 16, 1961. I believe that the legislation will provide the basis for a sound and healthy agricultural economy.

It will enable the farmer, in cooperation with the government, to adjust his production to meet our domestic needs and our international commitments for food and fiber. It is directed toward assuring that the farmer has an opportunity to achieve an income comparable to that enjoyed by other segments of our economy for comparable investments in labor and capital. At the same time, it makes provision for the consideration and protection of the interests of consumers. The programs established under the legislation should gradually reduce the burden imposed by large storage costs and high surpluses.

Included in the bill is an extension of the Agricultural Trade Development and Assistance Act of 1954, together with additional amendments to enable us to correlate our programs in agriculture more effectively with our foreign aid programs. This will permit us to make maximum use of our agricultural productivity to further economic development, peace and freedom in the world. Other provisions in the bill are directed toward the encouragement of farm cooperatives, the expansion of commercial exports of agriculture products, and the liberalization and extension of farm credit services.

This legislation will offer the farmer an opportunity to share directly in the framing of the programs that determine the marketing of his products. It permits the producers of food and fiber to

assert their views upon the management of their production. Final authority over the policies and programs to be adopted continues to reside in the Congress.

Although the proposed legislation deals with agricultural problems, it will have beneficial effects upon both agriculture and industry, both the farmer and the city dweller, both rural and urban workers. The interrelation between prosperity on the farm and economic health of the city has never been more apparent. I urge that the Congress give these proposals prompt consideration.

Sincerely,  
John F. Kennedy

### ASSISTANT HEW SECRETARY

Following is the text of an April 17 letter from the President to the Speaker of the House and the President of the Senate requesting creation of the post of Assistant Secretary of Health, Education and Welfare.

Dear Mr. President: (Dear Mr. Speaker:)

The vast increase in the international responsibilities of the Secretary of Health, Education, and Welfare in recent years has made this a major activity of that Department. It is important and requires continuing attention at a high level. I, therefore, recommend that there be established in the Department a position of Assistant Secretary of Health, Education, and Welfare, and that this Assistant Secretary have primary responsibility for advising and assisting the Secretary in the field of international affairs. Transmitted herewith is a draft of a bill which would carry out this purpose.

It may be necessary, from time to time, to assign additional functions to this Assistant Secretary. He should not be precluded from assuming such additional functions.

I am convinced that the United States must make full use of its professional and technical skills and resources to assist other nations, particularly those newly emerging. The new Assistant Secretary would provide the necessary assistance to the Secretary to meet this need.

Enclosed is a letter from the Secretary of Health, Education and Welfare describing the proposal in more detail.

Sincerely,  
John F. Kennedy

### URBAN AFFAIRS DEPARTMENT

Following is the text of an April 18 letter from the President to the Speaker of the House and the President of the Senate requesting creation of a Department of Urban Affairs and Housing. (See p. 666)

Dear Mr. President: (Dear Mr. Speaker:)

I am transmitting for consideration by the Congress draft legislation to carry out the recommendation in my March ninth message on housing and community development calling for the creation of a new cabinet Department of Urban Affairs and Housing.

Two problems standing near the top of our national priority list are first, preventing the appalling deterioration of many of our country's urban areas and rehabilitating the cities of our nation which currently contain 70% of our people -- a figure that is constantly growing -- and second, insuring the availability of adequate housing for all segments of our population. Since the National Housing Agency was established in 1942, the activities of the Federal Government in housing and in working with States and local communities in the rebuilding of our urban areas and in preventing their deterioration has increased steadily. The importance of this area of federal activity merits recognition by the establishment of the Department of Urban Affairs and Housing. Thus, the new Secretary of Urban Affairs and Housing will be in a position to present the nation's housing and metropolitan development needs to the Cabinet and will by virtue of his position provide the necessary leadership in coordinating the many federal programs in these fields.

In addition to the draft bill, I am enclosing a letter from the Director of the Bureau of the Budget describing the legislation in detail. A letter identical to this one is being sent to the Speaker of the House of Representatives.

I hope that prompt action can be scheduled on this important legislation and that the Congress will act favorably on the proposal.

Sincerely,  
John F. Kennedy

## PUBLIC LAWS

## Public Law 87-17

HR 4363 -- Authorize Congressional study of interstate commerce taxation policies. WILLIS (D La.) -- 2/15/61 -- House Judiciary reported March 15, 1961. House passed March 21, 1961. Senate Finance reported March 24, 1961. Senate passed March 27, 1961. President signed April 7, 1961.

## Public Law 87-18

S 153 (HR 5742) -- Extend Reorganization Act of 1949 through June 1, 1963. McCLELLAN (D Ark.) and others -- 1/5/61 -- Senate Government Operations reported Jan. 30, 1961. Senate passed Feb. 6, 1961. (House Government Operations reported HR 5742 March 23, 1961.) House passed March 29, 1961. President signed April 7, 1961.

## Public Law 87-19

HR 3980 -- Amend transitional provisions of the Federal Food, Drug and Cosmetic Act. HARRIS (D Ark.) -- 2/7/61 -- House Interstate and Foreign Commerce reported March 3, 1961. House passed March 14, 1961. Senate Labor and Public Welfare reported March 24, 1961. Senate passed March 27, 1961. President signed April 7, 1961.

## Public Law 87-20

H J Res 32 -- Designate May 1 as Law Day, U.S.A. CELLER (D N.Y.) -- 1/3/61 -- House Judiciary reported March 15, 1961. House passed March 28, 1961. Senate passed March 29, 1961. President signed April 7, 1961.

## BILLS INTRODUCED

CQ's eight subject categories and their subdivisions:

- |                                |                               |
|--------------------------------|-------------------------------|
| 1. AGRICULTURE                 | Indians, D.C., Territories    |
| 2. APPROPRIATIONS              | Judiciary                     |
| 3. EDUCATION & WELFARE         | Commemorative                 |
| Education                      | 6. NATIONAL SECURITY          |
| Health                         | Armed Services & Defense      |
| Welfare                        | Atomic Energy & Space         |
| Housing                        | 7. PUBLIC WORKS & RESOURCES   |
| Veterans                       | Lands                         |
| 4. FOREIGN POLICY              | Resources & Public Works      |
| International Affairs          | 8. TAXES & ECONOMIC POLICY    |
| Immigration                    | Economic Policy & Regulations |
| 5. GENERAL GOVERNMENT          | Commerce                      |
| Congress                       | Labor                         |
| Constitution & Civil Liberties | Transportation                |
| Government Operations          | Taxes                         |
| Post Office & Civil Service    | Tariffs                       |

Within each category are Senate bills in chronological order followed by House bills in chronological order. Bills are described as follows: Bill number, brief description of provisions, sponsor's name, date introduced and committee to which bill was assigned. Bills sponsored by more than one Senator are listed under the first sponsor, with additional sponsors listed. Private bills are not listed.

In the House identical bills are sponsored by several Members but each bill has only one sponsor and one number. In such cases only the first bill introduced -- that with the lowest bill number -- is described in full. Bills introduced subsequently during the period and identical in nature are usually cited back to the earliest bills. Private bills are not listed.

## Tally of Bills

The number of measures -- public and private -- introduced in the 87th Congress from Jan. 3, 1961, through April 14, 1961.

	Senate	House
Bills	1,632	6,344
Joint Resolutions	74	372
Concurrent		
Resolutions	20	218
Simple Resolutions	125	258
<b>TOTAL</b>	<b>1,851</b>	<b>7,192</b>

Public bills listed this week:

Bills S 1501 - 1632  
HR 6123 - 6328

## Resolutions

S J Res 71 - 74  
S Con Res 19 - 20  
S Res 118 - 125  
H J Res 357 - 372  
H Con Res 213 - 218  
H Res 250 - 258

## 1. Agriculture

## SENATE

- S 1515 -- Provide additional funds for carrying out National School Lunch Act in fiscal year 1961. WILEY (R Wis.) -- 4/6/61 -- Agriculture and Forestry.
- S 1522 -- Provide new basis for determining money made available to a State for schools and roads by Secretary of Agriculture in sales of certain forest products from national forests located within such State. DWORSHAK (R Idaho) -- 4/6/61 -- Agriculture and Forestry.
- S 1617 -- Amend Watershed Protection and Flood Prevention Act to permit certain new organizations to sponsor works of improvement. ALLOTT (R Colo.) -- 4/14/61 -- Agriculture and Forestry.
- S 1628 -- Establish Soil and Water Conservation Laboratory. CASE (R S.D.) -- 4/14/61 -- Agriculture and Forestry.

## HOUSE

- HR 6123 -- Similar to HR 5542. BERRY (R S.D.) -- 4/10/61.
- HR 6126 -- Amend section 202 of Agricultural Act of 1949, as amended, re veterans and armed services dairy program. BREEDING (D Kan.) -- 4/10/61 -- Agriculture.
- HR 6163 -- Similar to HR 5541. ANDERSEN (R Minn.) -- 4/11/61.
- HR 6191 -- Extend and increase special milk program for children. HAGEN (D Calif.) -- 4/11/61 -- Agriculture.
- HR 6192 -- Similar to HR 6126. HAGEN (D Calif.) -- 4/11/61.
- HR 6253 -- Amend act of Sept. 2, 1960 (74 Stat. 734), to authorize Secretary of Agriculture to establish minimum standards of quality for any variety of grapes and plums covered by such act. HAGEN (D Calif.) -- 4/12/61 -- Agriculture.
- HR 6289 -- Similar to HR 6034. CURTIS (R Mo.) -- 4/13/61.

## 2. Appropriations

## NO INTRODUCTIONS

## 3. Education and Welfare

## EDUCATION

## SENATE

- S 1516 -- Provide for continuity and support of study, research, and development of programs for peaceful uses in science, commerce, and other activities related to Antarctica. WILEY (R Wis.) -- 4/6/61 -- Labor and Public Welfare.
- S 1556 -- Authorize return to States on a per capita pupil basis for elementary and secondary education 1 percent of federal income taxes, individual and corporate, collected nationally during preceding fiscal year. CASE (R S.D.) -- 4/12/61 -- Labor and Public Welfare.
- S 1562 -- Amend National Defense Education Act of 1958 to provide financial assistance to public community colleges for strengthening science, mathematics, modern foreign language, and technical instruction. SMITH (D Mass.) -- 4/12/61 -- Labor and Public Welfare.

## HOUSE

- HR 6176 -- Allocate certain federal income taxes to states for providing public elementary and secondary education without any federal control. GOODLING (R Pa.) -- 4/11/61 -- Education and Labor.
- HR 6209 -- Provide additional funds for carrying out National School Lunch Act in the fiscal year 1961. THOMSON (R Wis.) -- 4/11/61 -- Education and Labor.

- HR 6302 -- Establish a teaching hospital for Howard University; transfer Freedmen's Hospital to the university. GREEN (D Ore.) -- 4/13/61 -- Education and Labor.
- HR 6320 -- Provide federal assistance for construction and expansion of public community junior colleges. RHODES (D Pa.) -- 4/13/61 -- Education and Labor.

# HEALTH

## NO INTRODUCTION

### WELFARE

#### SENATE

- S 1511 -- Amend public assistance provisions of Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of federal funds. HUMPHREY (D Minn.), Morse (D Ore.) -- 4/6/61 -- Finance.
- S 1512 -- Assist States in strengthening and improving state and local programs for diminution, control, and treatment of juvenile delinquency. HUMPHREY (D Minn.), Morse (D Ore.) -- 4/6/61 -- Labor and Public Welfare.
- S 1565 -- Amend Railroad Retirement Act of 1937, as amended, to permit individual's annuity be paid for month in which he dies. MOSS (D Utah) -- 4/12/61 -- Labor and Public Welfare.
- S 1572 -- Provide certain reduced credits against federal unemployment tax not apply to taxable years beginning before Jan. 1, 1964. BARTLETT (D Alaska), Hart (D Mich.) -- 4/13/61 -- Finance.
- S 1615 -- Amend title II of Social Security Act to permit reduced benefits be paid to men at age 62. DOUGLAS (D Ill.) -- 4/14/61 -- Finance.
- S J Res 72 -- Establish a Commission To Study the Problem of Alcoholism in the United States, make more adequate provision of facilities for treatment, rehabilitation, and cure of alcoholics, and prevention of alcoholism. JOHNSTON (D S.C.) -- 4/6/61 -- Labor and Public Welfare.

#### HOUSE

- HR 6129 -- Amend title II of the Social Security Act to increase from \$1,200 to \$2,400 outside earnings permitted each year without deduction from benefits. DEROUNIAN (R N.Y.) -- 4/10/61 -- Ways and Means.
- HR 6145 -- Provide certain reduced credits against federal unemployment tax not apply to taxable years beginning before Jan. 1, 1964. RIVERS (D Alaska) -- 4/10/61 -- Ways and Means.
- HR 6162 -- Improve benefits under OASDI program by increasing minimum benefits and aged widow's benefits. ALEXANDER (D N.C.) -- 4/11/61 -- Ways and Means.
- HR 6166 -- Similar to HR 10. BASS (D Tenn.) -- 4/11/61.
- HR 6181 -- Authorize Secretary of Health, Education, and Welfare to enter into agreements with each of the States, Commonwealths, territories and the District of Columbia insurance program for certain persons over the age of 65, and authorize payments by Secretary of State to cover part of the costs of such insurance. GUBSER (R Calif.) -- 4/11/61 -- Interstate and Foreign Commerce.
- HR 6185 -- Permit an individual to obtain coverage under title II of the Social Security Act on basis of service not covered employment at time performed, if service has since become covered and individual makes payment of applicable social security taxes. GUBSER (R Calif.) -- 4/11/61 -- Ways and Means.
- HR 6188 -- Amend title II of Social Security Act to provide disability determinations (for the purposes of disability insurance benefits and the disability "freeze") hereafter be made by or under direction of Secretary of Health, Education, and Welfare rather than by state agencies. GUBSER (R Calif.) -- 4/11/61 -- Ways and Means.
- HR 6267 -- Similar to HR 10. TEAGUE (R Calif.) -- 4/12/61.
- HR 6279 -- Amend title II of Social Security Act to provide minimum benefits under OASDI program for certain individuals at age 72. ANDERSEN (R Minn.) -- 4/13/61 -- Ways and Means.
- HR 6283 -- Improve OASDI program by increasing minimum benefits, providing minimum benefits for certain individuals age 72, liberalizing eligibility requirements and retirement test, increasing amount of earnings permitted without full deductions from benefits. BYRNES (R Wis.) -- 4/13/61 -- Ways and Means.
- HR 6290 -- Provide, for purposes of determining eligibility for benefits under Federal Employees' Compensation Act of 1949, date of death of certain reservists missing in action, be date determined in accordance with Missing Persons Act. DAVIS, J.C. (D Ga.) -- 4/13/61 -- Education and Labor.
- HR 6297 -- Similar to HR 10. FLOOD (D Pa.) -- 4/13/61.
- HR 6321 -- Amend title II of Social Security Act to provide benefits under the Federal OASDI program for needy individuals over retirement age, not otherwise entitled to benefits. RHODES (D Pa.) -- 4/13/61 -- Ways and Means.
- HR 6328 -- Amend Social Security Act to reduce, for purposes of OASDI benefits, age requirement from age 65 to 60. MOORE (R W.Va.) -- 4/13/61 -- Ways and Means.

# HOUSING

## SENATE

- S 1541 -- Amend section 112 of Housing Act of 1949. CLARK (D Pa.) -- 4/12/61 -- Banking and Currency.

## HOUSE

- HR 6263 -- Establish a Housing Conservation and Rehabilitation Finance Agency to provide loan funds for conservation and rehabilitation of existing housing. O'HARA (D Ill.) -- 4/12/61 -- Banking and Currency.
- HR 6278 -- Amend title I of Housing Act of 1949 to permit loss of goodwill to be taken into account in computing relocation payment made to a business concern displaced by an urban renewal project, and increase maximum amount of such payment. ADDONIZIO (D N.J.) -- 4/13/61 -- Banking and Currency.
- HR 6295 -- Amend U.S. Housing Act of 1937 to make it clear that lowrent public housing includes stores and other necessary or desirable non-dwelling facilities. FARBSTEIN (D N.Y.) -- 4/13/61 -- Banking and Currency.
- HR 6325 -- Amend section 213 of National Housing Act to provide mortgages covering middle-income consumer cooperative housing projects be insured up to full amount of replacement cost. FARBSTEIN (D N.Y.) -- 4/13/61 -- Banking and Currency.
- HR 6326 -- Amend title I of National Housing Act to provide FHA insurance of loans made for purchase of dwelling units in cooperative housing projects. FARBSTEIN (D N.Y.) -- 4/13/61 -- Banking and Currency.

## VETERANS

### SENATE

- S 1510 -- Accord certain naturalization privileges to veterans of Korean hostilities. NEUBERGER (D Ore.), Engle (D Calif.), Long (D Hawaii) -- 4/6/61 -- Judiciary.

### HOUSE

- HR 6131 -- Provide Veterans' Administration general, medical, and surgical hospital of 500 beds at Sacramento, Calif. JOHNSON (D Calif.) -- 4/10/61 -- Veterans' Affairs.
- HR 6143 -- Extend veterans of Spanish-American War, including Philippine Insurrection and Boxer Rebellion, same eligibility for hospital care for any disability from Veterans' Administration as they now enjoy re outpatient medical services. O'HARA (D Ill.) -- 4/10/61 -- Veterans' Affairs.
- HR 6148 -- Amend chapter 19, title 38, USC, to provide payment of administrative costs in connection with participating national service life insurance and U.S. Government life insurance out of national service life insurance fund and U.S. Government life insurance fund. TEAGUE (D Texas) -- 4/10/61 -- Veterans' Affairs.
- HR 6149 -- Amend section 4108, title 38, USC, to provide that after Dec. 31, 1965, specialist allowance not be paid to medical or dental personnel who are not actively engaged in medicine, surgery, or dentistry. TEAGUE (D Texas) (by request) -- 4/10/61 -- Veterans' Affairs.
- HR 6164 -- Amend title 38, USC, to provide a 1-year period during which certain veterans may be granted national service life insurance. BARING (D Nev.) (by request) -- 4/11/61 -- Veterans' Affairs.
- HR 6175 -- Amend Veterans' Readjustment Assistance Act of 1952 to make educational benefits available to all veterans whether or not they serve during a period of war or of armed hostilities. FULTON (R Pa.) -- 4/11/61 -- Veterans' Affairs.
- HR 6190 -- Amend title 38 of USC to provide payment to veterans of an amount equal to the cost of repairing or replacing certain prosthetic and other appliances damaged or destroyed as a result of certain accidents. GUBSER (R Calif.) (by request) -- 4/11/61 -- Veterans' Affairs.
- HR 6199 -- Amend title 38, USC, to provide pension for widows of World War I veterans subject to an annual income limitation of \$2,000 for widows without children and \$2,400 for widows with children. KNOX (R Mich.) -- 4/11/61 -- Veterans' Affairs.
- HR 6200 -- Amend title 38, USC, to provide pension for World War I veterans subject to an annual income limitation of \$2,400 for single veterans, and \$3,600 for veterans with dependents. KNOX (R Mich.) -- 4/11/61 -- Veterans' Affairs.
- HR 6205 -- Amend section 502(b) of title V, PL 80-901, to provide that amounts paid by the U.S. Government for disability or death occurring in connection with military service in the Armed Forces of the U.S. be excluded in determining rents for public housing. MORSE (R Mass.) -- 4/11/61 -- Banking and Currency.
- HR 6266 -- Similar to HR 209. SHELLEY (D Calif.) -- 4/12/61.
- HR 6268 -- Afford children of certain deceased veterans eligible for benefits of War Orphans Educational Assistance Act of 1956 but who, because of residence in the Philippines, were unable to receive such assistance prior to enactment of PL 85-460, additional time to complete their education. TEAGUE (D Texas) (by request) -- 4/12/61 -- Veterans' Affairs.



- HR 6269 -- Extend provisions for benefits based on limited periods immediately following discharge from active duty after Dec. 31, 1956, to veterans discharged before that date. TEAGUE (D Texas) (by request) -- 4/12/61 -- Veterans' Affairs.
- HR 6293 -- Extend Veterans' guaranteed and direct home loan program and provide additional funds for veterans' direct loan program. FASCELL (D Fla.) -- 4/13/61 -- Veterans' Affairs.

## 4. Foreign Policy

### INTERNATIONAL AFFAIRS

#### SENATE

- S 1506 -- Authorize appropriation of \$1,500,000 as an ex gratia payment to City of New York to assist in defraying expenses incurred during 15th General Assembly of the United Nations. FULBRIGHT (D Ark.) (by request) -- 4/6/61 -- Foreign Relations.
- S 1507 -- Amend Foreign Service Buildings Act, 1926, to authorize additional appropriations. FULBRIGHT (D Ark.) (by request) -- 4/6/61 -- Foreign Relations.
- S 1509 -- Provide Legislative Reference Service of Library of Congress conduct additional studies of foreign trade interests within the U.S. NEUBERGER (D Ore.) -- 4/6/61 -- Rules and Administration.
- S 1614 -- Provide for denial of passports to supporters of international Communist movement, for review of passport denials. HRUSKA (R Neb.) -- 4/13/61 -- Foreign Relations.
- S Con Res 19 -- Favor assistance to other nations in establishment and improvement of their educational systems. HUMPHREY (D Minn.) -- 4/12/61 -- Foreign Relations.
- S Res 124 -- Establish in the United Nations Children's Fund a Special Fund for Self-Help Surveys of Children's Needs. HUMPHREY (D Minn.) -- 4/14/61 -- Foreign Relations.

#### HOUSE

- HR 6150 -- Regulate foreign commerce of the United States by providing for fair competition between domestic industries operating under the Fair Labor Standards Act and foreign industries that supply articles imported into the U.S. VAN ZANDT (R Pa.) -- 4/10/61 -- Ways and Means.
- HR 6179 -- Amend title II of the U.S. Information and Educational Exchange Act of 1948, to provide transportation expenses for a representative to be sent annually from each American city cooperating in sister city program of the people-to-people program to the city's affiliated city. GUBSER (R Calif.) -- 4/11/61 -- Foreign Affairs.
- HR 6206 -- Amend PL 84-503, to provide annuities for widows of certain Foreign Service officers who retired prior to effective date of Federal Employees Group Life Insurance Act of 1954. OLSEN (D Mont.) -- 4/11/61 -- Foreign Affairs.
- HR 6280 -- Similar to HR 6150. BAILEY (D W.Va.) -- 4/13/61.
- H Con Res 215 -- Express sense of Congress re imports from Cuba. ROGERS (D Fla.) -- 4/12/61 -- Ways and Means.
- H Con Res 216 -- Request President to initiate action through Organization of American States imposing sanctions on the present Government of Cuba. FASCELL (D Fla.) -- 4/13/61 -- Foreign Affairs.
- H Con Res 218 -- Similar to H Con Res 216. SELDEN (D Ala.) -- 4/13/61.

#### IMMIGRATION

#### HOUSE

- HR 6208 -- Amend section 340 of Immigration and Nationality Act of 1952. SANTANGELO (D N.Y.) -- 4/11/61 -- Judiciary.
- HR 6300 -- Amend Immigration and Nationality Act. WALTER (D Pa.) -- 4/13/61 -- Judiciary.

## 5. General Government

### CONGRESS

#### SENATE

- S 1555 -- Provide federal contribution to cost of election campaign of candidates for federal offices, conditioned upon effective control and publication of other sources of financing such campaigns; encourage small individual campaign contributions and reduce importance of large contributions in federal elections; provide federal financial assistance for state voters' and campaign pamphlets. NEUBERGER (D Ore.), Douglas (D Ill.), Clark (D Pa.), Gruening (D Alaska), Morse (D Ore.) -- 4/12/61 -- Rules and Administration.
- S 1623 -- Revise federal election laws, to prevent corrupt practices in federal elections. GORE (D Tenn.) -- 4/14/61 -- Rules and Administration.

### HOUSE

- HR 6135 -- Provide salaries of certain employees of the House, and clerk-hire allowance of Members, consist of aggregate annual amounts rather than basic annual amounts plus additional amounts. KYL (R Iowa) -- 4/10/61 -- House Administration.
- H Res 250 -- Print as House document Report of the Judicial Conference of the U.S., held March 13-14, 1961, at Washington, D.C. CELLER (D N.Y.) -- 4/11/61 -- House Administration.
- H Res 251 -- Print Constitution of the U.S., with an index and ancillaries, as a House document. CELLER (D N.Y.) -- 4/12/61 -- House Administration.

### CONSTITUTION & CIVIL LIBERTIES

#### SENATE

- S J Res 71 -- Amend Constitution of the United States, extending right to vote to citizens 18 years of age or older. RANDOLPH (D W.Va.), Byrd (D W.Va.) -- 4/3/61 -- Judiciary.

#### HOUSE

- H J Res 360 -- Amend Constitution to make former Presidents of the United States Members of the Senate. MONAGAN (D Conn.) -- 4/10/61 -- Judiciary.
- H J Res 361 -- Similar to H J Res 4. ANFUSO (D N.Y.) -- 4/11/61.
- H J Res 363 -- Similar to H J Res 4. MCINTIRE (R Maine) -- 4/11/61.
- H J Res 364 -- Similar to H J Res 4. PFOST (D Idaho) -- 4/11/61.
- H J Res 368 -- Amend Constitution of the U.S. re citizens of the United States 18 years of age or older to vote. ELLSWORTH (R Kan.) -- 4/13/61 -- Judiciary.
- H J Res 369 -- Amend Constitution of the U.S. providing for popular election of President and Vice President of the U.S. FARBERSTEIN (D N.Y.) -- 4/13/61 -- Judiciary.

### GOVERNMENT OPERATIONS

#### SENATE

- S 1586 -- Provide method of payment of indirect costs of research and development contracted by Federal Government at universities, colleges and other educational institutions. JACKSON (D Wash.) -- 4/13/61 -- Government Operations.
- S 1616 -- Amend section 4 of Employment Act of 1946. DOUGLAS (D Ill.), Capehart (R Ind.) -- 4/14/61 -- Banking and Currency.

#### HOUSE

- HR 6173 -- Amend Federal Property and Administrative Services Act of 1949 to make municipalities eligible for donations of surplus personal property. DOMINICK (R Colo.) -- 4/11/61 -- Government Operations.
- HR 6180 -- Establish a permanent Commission on Organization of the Executive Branch of the Government. GUBSER (R Calif.) -- 4/11/61 -- Government Operations.
- HR 6203 -- Authorize disposal of surplus equipment, materials, books, and supplies under section 203 (j) of the Federal Property and Administrative Services Act of 1949 to Boys' Ranches. MATTHEWS (D Fla.) -- 4/11/61 -- Government Operations.
- HR 6254 -- Amend section 203 of the Federal Property and Administrative Services Act of 1949 to authorize donation of surplus property to boys homes. LENNON (D N.C.) -- 4/12/61 -- Government Operations.
- HR 6301 -- Provide excess personal property of the U.S. be donated to States for promotion of fish and wildlife management activities. GRAY (D Ill.) -- 4/13/61 -- Government Operations.

### POST OFFICE & CIVIL SERVICE

#### SENATE

- S 1530 -- Provide for publication of Official Register of the United States by the U.S. Civil Service Commission. JAVITS (R N.Y.), Keating (R N.Y.) -- 4/6/61 -- Post Office and Civil Service.
- S 1548 -- Extend preferential third-class postage rates to volunteer fire departments. KEATING (R N.Y.) -- 4/12/61 -- Post Office and Civil Service.
- S 1580 -- Issue special postage stamp in commemoration of 50th anniversary of Seton International Civic Organization. CARLSON (R Kan.) -- 4/13/61 -- Post Office and Civil Service.

#### HOUSE

- HR 6140 -- Authorize Secretary of Commerce to procure services of experts and consultants. MURRAY (D Tenn.) -- 4/10/61 -- Post Office and Civil Service.
- HR 6141 -- Amend act of Sept. 1, 1954, to limit to cases involving national security prohibition on payment of annuities and retired pay to officers and employees of the U.S., to clarify application and operation of Act. MURRAY (D Tenn.) -- 4/10/61 -- Post Office and Civil Service.

- HR 6146 -- Provide retirement benefits for firefighters employed by Federal Government. SAUND (D Calif.) -- 4/10/61 -- Post Office and Civil Service.
- HR 6171 -- Provide civilian officers and employees of the U.S. not be required to occupy Government quarters unless the head of the agency concerned makes certain determinations. DAVIS, J.C. (D Ga.) -- 4/11/61 -- Post Office and Civil Service.
- HR 6174 -- Amend Civil Service Retirement Act to permit employees with at least 30 years of service to retire at 55 years of age with full annuities. FARBSTEIN (D N.Y.) -- 4/11/61 -- Post Office and Civil Service.
- HR 6183 -- Provide President designate one agency of Federal Government to conduct all security investigations of civil officers and employees of the U.S., and of persons who apply for employment as such. GUBSER (R Calif.) -- 4/11/61 -- Post Office and Civil Service.
- HR 6184 -- Prohibit mailing of certain material by a Member of Congress, under his frank, to destinations outside the State or district he represents. GUBSER (R Calif.) -- 4/11/61 -- Post Office and Civil Service.
- HR 6201 -- Credit as hazardous service for purposes of Civil Service Retirement Act in certain additional cases service performed in supervisory or administrative positions. LESINSKI (D Mich.) -- 4/11/61 -- Post Office and Civil Service.
- HR 6260 -- Amend an act to clarify the application of section 507 of the Classification Act of 1949 re preservation of rates of basic compensation of certain officers or employees in cases involving downgrading actions. MURRAY (D Tenn.) -- 4/12/61 -- Post Office and Civil Service.
- HR 6261 -- Amend disability retirement provisions of the Civil Service Retirement Act. MURRAY (D Tenn.) -- 4/12/61 -- Post Office and Civil Service.
- HR 6282 -- Similar to HR 6171. BROYHILL (R Va.) -- 4/13/61.
- HR 6285 -- Authorize Secretary of Commerce to procure services of experts and consultants. CORBETT (R Pa.) -- 4/13/61 -- Post Office and Civil Service.
- HR 6826 -- Amend act of Sept. 1, 1954, to limit to cases involving national security prohibition on payment of annuities and retired pay to officers and employees of the U.S., clarify application and operation of such act. CORBETT (R Pa.) -- 4/13/61 -- Post Office and Civil Service.
- HR 6287 -- Amend disability retirement provisions of Civil Service Retirement Act. CORBETT (R Pa.) -- 4/13/61 -- Post Office and Civil Service.
- HR 6288 -- Similar to HR 6260. CORBETT (R Pa.) -- 4/13/61.
- HR 6303 -- Amend Civil Service Retirement Act to permit retirement with reduced annuity at 55 years of age with 15 years of service. HAGEN (D Calif.) -- 4/13/61 -- Post Office and Civil Service.

#### INDIANS, D.C., TERRITORIES

##### SENATE

- S 1501 -- Authorize Secretary of Interior to contract for sale, operation, maintenance, repair, or relocation of Government-owned electric and telephone lines and other utility facilities used for administration of Bureau of Indian Affairs. MANSFIELD (D Mont.), Metcalf (D Mont.) -- 4/3/61 -- Interior and Insular Affairs.
- S 1518 -- Provide disposition of judgment funds of Omaha Tribe of Indians. CURTIS (R Neb.) -- 4/6/61 -- Interior and Insular Affairs.
- S 1528 -- Make Policemen and Firemen's Retirement and Disability Act Amendments of 1957 applicable to retired former members of Metropolitan Police force, Fire Department of the District of Columbia, U.S. Park Police force, White House Police force, and U.S. Secret Service; and to their widows, widowers, and children. BIBLE (D Nev.) (by request) -- 4/6/61 -- District of Columbia.
- S 1529 -- Amend "An act to regulate the height of buildings in the District of Columbia," approved June 1, 1910, as amended. BIBLE (D Nev.) (by request) -- 4/6/61 -- District of Columbia.
- S 1540 -- Amend law establishing Indian revolving loan fund. METCALF (D Mont.), Mansfield (D Mont.) -- 4/12/61 -- Interior and Insular Affairs.
- S 1557 -- Provide annuities from District of Columbia teachers' retirement and annuity fund be adjusted simultaneously with general adjustments in salaries for teachers and school officers covered by District of Columbia Salary Act of 1955, as amended. BEALL (R Md.) -- 4/12/61 -- District of Columbia.
- S 1558 -- Increase annuities to certain annuitants from District of Columbia teachers' retirement and annuity fund, in amounts equivalent to increases provided by District of Columbia Teachers' Salary Increase Act of 1960. BEALL (R Md.) -- 4/12/61 -- District of Columbia.
- S 1581 -- Allocate costs on Wapato-Satus unit of Wapato Indian irrigation project. JACKSON (D Wash.), Magnuson (D Wash.) -- 4/13/61 -- Interior and Insular Affairs.

##### HOUSE

- HR 6134 -- Amend District of Columbia Redevelopment Act of 1945 to provide for preservation or restoration of housing and other structures in District of Columbia, where such are not substandard or can be restored. KEARNS (R Pa.) -- 4/10/61 -- District of Columbia.

- HR 6298 -- Amend act of Aug. 14, 1950, re leasing of land by Seneca Nations of Indians of New York. GOODELL (R N.Y.) -- 4/13/61 -- Interior and Insular Affairs.
- HR 6299 -- Authorize leases and grants of rights-of-way on Indian lands in the State of New York. GOODELL (R N.Y.) -- 4/13/61 -- Interior and Insular Affairs.
- HR 6312 -- Amend District of Columbia Redevelopment Act of 1945, as amended. McMILLAN (D S.C.) -- 4/13/61 -- District of Columbia.

#### JUDICIARY

##### SENATE

- S 1534 -- Strengthen law re bribery and graft. WILLIAMS (R Del.) -- 4/12/61 -- Judiciary.
- S 1535 -- Amend section 284, title 18, USC, further to prohibit former officers and employees of the U.S. from acting as counsel, attorney, or agent in matters connected with former office or employment. WILLIAMS (R Del.) -- 4/12/61 -- Judiciary.
- S 1561 -- Amend section 2072, title 28, USC, re time at which Federal Rules of Civil Procedure become effective. ERVIN (D N.C.) -- 4/12/61 -- Judiciary.
- S 1567 -- Amend section 3 of 60 Stat. 238 to clarify and protect right of public to information. CARROLL (D Colo.), Hart (D Mich.), Long (D Mo.), Proxmire (D Wis.) -- 4/12/61 -- Judiciary.

##### HOUSE

- HR 6136 -- Authorize waiver of collection of certain erroneous payments made by Federal Government to certain civilian and military personnel. LANE (D Mass.) -- 4/10/61 -- Judiciary.
- HR 6195 -- Provide garnishment, execution, or trustee process of wages and salaries of civil officers and employees of the U.S. HOSMER (R Calif.) -- 4/11/61 -- Judiciary.
- HR 6242 -- Amend section 508, title 28, USC, re attorneys' salaries. CELLER (D N.Y.) -- 4/12/61 -- Judiciary.
- HR 6243 -- Extend to Guam the power to enter into certain interstate compacts re enforcement of criminal laws and policies of the States. CELLER (D N.Y.) -- 4/12/61 -- Judiciary.
- HR 6244 -- For relief of certain members of uniformed services erroneously in receipt of family separation allowances. CELLER (D N.Y.) -- 4/12/61 -- Judiciary.
- HR 6306 -- Provide Delaware, Madison, Randolph, Rush, Henry, Union and Wayne Counties in Indiana constitute a new and separate judicial division known as Muncie-Richmond Division of Indiana. HARVEY (R Ind.) -- 4/13/61 -- Judiciary.
- HR 6311 -- Appoint additional circuit and district judges. McCULLOCH (R Ohio) -- 4/13/61 -- Judiciary.
- HR 6322 -- Amend section 1498, title 28, USC, to permit patent holders to bring civil actions against Government contractors who infringe their patents while carrying out Government contracts. ROOSEVELT (D Calif.) -- 4/13/61 -- Judiciary.
- HR 6323 -- Amend chapter 113, title 28, USC, to extend territorial limits re service of process in certain civil actions. TOLL (D Pa.) -- 4/13/61 -- Judiciary.

#### COMMEMORATIVE

##### SENATE

- S J Res 74 -- Designate carnation as national flower of U.S. ALLOTT (R Colo.), Carroll (D Colo.) -- 4/14/61 -- Judiciary.
- S Con Res 20 -- Designate week of May 21 to 27, 1961 as National Highway Week. CHAVEZ (D N.M.) -- 4/13/61 -- Judiciary.
- S Res 118 -- Favor recognition of April 15 each year as Africa Freedom Day. HUMPHREY (D Minn.) -- 4/3/61 -- Judiciary.
- S Res 120 -- Designate April 15, 1961 as African Freedom Day. HUMPHREY (D Minn.) -- 4/12/61 -- Judiciary.
- S Res 125 -- Provide April 15, 1961 be recognized as African Freedom Day. HUMPHREY (D Minn.), Keating (R N.Y.) -- 4/14/61 -- Agreed.

##### HOUSE

- HR 6144 -- Issue a special postage stamp in commemoration of 300 years of operation of hotels in America, and 50th annual convention of the American Hotel Association. OLSEN (D Mont.) -- 4/10/61 -- Post Office and Civil Service.
- HR 6165 -- Similar to HR 6144. BASS (D Tenn.) -- 4/11/61.
- HR 6249 -- Issue special postage stamp honoring law enforcement personnel in the U.S. DAVIS, J.C. (D Ga.) -- 4/12/61 -- Post Office and Civil Service.
- H J Res 357 -- Establish annual U.S. Week. DEROUNIAN (R N.Y.) -- 4/10/61 -- Judiciary.
- H J Res 358 -- Designate third week in March National Poison Prevention Week. JONES (D Mo.) -- 4/10/61 -- Judiciary.
- H J Res 359 -- Proclaim last week of May of each year National Art Week. KEITH (R Mass.) -- 4/10/61 -- Judiciary.

- H J Res 362 -- Erect in Page, Ariz., an appropriate marker to commemorate achievements of former Commissioner of Reclamation, John C. Page. DOMINICK (R Colo.) -- 4/11/61 -- Interior and Insular Affairs.  
 H J Res 366 -- Declare Inauguration Day a legal holiday. McDONOUGH (R Calif.) -- 4/11/61 -- Judiciary.  
 H J Res 367 -- Provide National Architects Week during 1961. BARRETT (D Pa.) -- 4/13/61 -- Judiciary.  
 H J Res 372 -- Designate American's Creed. WILSON (R Calif.) -- 4/13/61 -- Judiciary.  
 H Con Res 217 -- Recognize the village of Whitehall, Washington County, N.Y., as birthplace of U.S. Navy. KING (D N.Y.) -- 4/13/61 -- Judiciary.

## 6. National Security

### ARMED SERVICES & DEFENSE

#### SENATE

- S 1508 -- Amend Subversive Activities Control Act of 1950 to require registration of certain additional persons disseminating political propaganda within the U.S. as agents of a foreign principal. DIRKSEN (R Ill.), Bennett (R Utah) -- 4/6/61 -- Judiciary.  
 S 1514 -- Require competitive bidding to greatest practicable extent in procurement of property and services by the Armed Forces through establishment by Secretary of Defense of specific standards governing use of negotiated contracts for such procurement. WILLIAMS (R Del.) -- 4/6/61 -- Armed Services.  
 S 1539 -- Designate Sioux Ordnance Depot, as Fort Sidney Ordnance Depot. HRUSKA (R Neb.), Curtis (R Neb.) -- 4/12/61 -- Armed Services.  
 S 1553 -- Amend title 10, USC, re Uniform Code of Military Justice. JAVITS (R N.Y.) -- 4/12/61 -- Armed Services.  
 S 1554 -- Provide Fort Montgomery, N.Y., may tap West Point water supply. JAVITS (R N.Y.), Keating (R N.Y.) -- 4/12/61 -- Armed Services.  
 S 1566 -- Establish a chiropractic section in Medical Service Corps of the Army. CASE (R S.D.) (by request) -- 4/12/61 -- Armed Services.

#### HOUSE

- HR 6142 -- Appoint citizens of Guam to U.S. Military Academy, the U.S. Naval Academy, and U.S. Air Force Academy. O'HARA (D Ill.) -- 4/10/61 -- Armed Services.  
 HR 6151 -- Authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces. VINSON (D Ga.) -- 4/10/61 -- Armed Services.  
 HR 6177 -- Equalize pay of retired members of uniformed services. GUBSER (R Calif.) -- 4/11/61 -- Armed Services.  
 HR 6178 -- Provide joint study by Administrator of Federal Aviation Agency and Secretary of Defense of disposal and future use of military airports surplus to needs of Department of Defense. GUBSER (R Calif.) -- 4/11/61 -- Armed Services.  
 HR 6207 -- Create Freedom Commission and Freedom Academy. PFOST (D Idaho) -- 4/11/61 -- Un-American Activities.  
 HR 6255 -- Amend title 10, USC, re Uniform Code of Military Justice. LINDSAY (R N.Y.) (by request) -- 4/12/61 -- Armed Services.

### ATOMIC ENERGY & SPACE

#### SENATE

- S 1622 -- Amend Atomic Energy Community Act of 1955. JACKSON (D Wash.) -- 4/14/61 -- Joint Atomic Energy.

#### HOUSE

- HR 6138 -- Establish, under National Science Foundation, National Science Academy. MONAGAN (D Conn.) -- 4/10/61 -- Science and Astronautics.  
 HR 6169 -- Amend section 201 of the National Aeronautics and Space Act of 1958. BROOKS (D La.) -- 4/11/61 -- Science and Astronautics.  
 HR 6204 -- Amend Atomic Energy Community Act of 1955. MAY (R Wash.) -- 4/11/61 -- Joint Atomic Energy.  
 HR 6327 -- Authorize appropriations to National Aeronautics and Space Administration for special research and development. KARTH (D Minn.) -- 4/13/61 -- Science and Astronautics.

## 7. Public Works & Resources

### LANDS

#### SENATE

- S 1563 -- Convey certain lands within Clark Hill Reservoir, Savannah River, Georgia-South Carolina, to Georgia-Carolina Council, Inc., Boy Scouts of America, for recreation and camping purposes. RUSSELL (D Ga.) -- 4/12/61 -- Public Works.

- S 1582 -- Include within Joshua Tree National Monument, in California, certain federally owned lands. KUCHEL (R Calif.), Engle (D Calif.) -- 4/13/61 -- Interior and Insular Affairs.  
 S 1631 -- Provide for addition of certain lands to Effigy Mounds National Monument in Iowa. MILLER (R Iowa) -- 4/14/61 -- Interior and Insular Affairs.

#### HOUSE

- HR 6139 -- Amend act of May 16, 1958, conveying certain lands in Shiloh National Military Park, State of Tennessee. MURRAY (D Tenn.) -- 4/10/61 -- Interior and Insular Affairs.  
 HR 6193 -- Authorize Secretary of Agriculture to convey certain lands in Wyoming to Fremont County, Wyo. HARRISON (R Wyo.) -- 4/11/61 -- Agriculture.  
 HR 6241 -- Repeal 41 Stat. 293; 43 U.S.C., secs. 351-355, 357-360, and 400, 42 Stat. 1012; 43 U.S.C., sec. 356; require that entrymen of lands in Nevada under Desert Land Act be resident citizens of Nevada. ASPINALL (D Colo.) -- 4/12/61 -- Interior and Insular Affairs.

### RESOURCES & PUBLIC WORKS

#### SENATE

- S 1513 -- Amend title 23, USC, to extend to July 1, 1963, period within which certain agreements re outdoor advertisements may be entered into by Secretary of Commerce and States. HICKEY (D Wyo.), McGee (D Wyo.) -- 4/6/61 -- Public Works.  
 S 1517 -- Amend section 2319 of Revised Statutes to purchase locatable mineral deposits on certain patented lands. GOLDWATER (R Ariz.) -- 4/6/61 -- Interior and Insular Affairs.  
 S 1542 -- Authorize and direct Secretary of Interior to conduct studies of genetics of sport fishes and carry out selective breeding of such to develop strains with inherent attributes valuable in programs of research, fish hatchery production, and management of recreational fishery resources. McGEE (D Wyo.), Hickey (D Wyo.) -- 4/12/61 -- Commerce.  
 S 1547 -- Amend Small Reclamation Projects Act of 1956 re size of a project eligible for benefits. DWORSHAK (R Idaho) -- 4/12/61 -- Interior and Insular Affairs.  
 S 1559 -- Provide production of underground water on public lands. HICKEY (D Wyo.), McGee (D Wyo.) -- 4/12/61 -- Interior and Insular Affairs.  
 S 1570 -- Establish Resources Planning Commission for the Lower Colorado River Basin, to study multi-purpose resources of public lands and other land and water areas in and near Colorado River between Hoover Dam and Mexican boundary. GOLDWATER (R Ariz.) -- 4/13/61 -- Interior and Insular Affairs.  
 S 1579 -- Provide study of feasibility of establishing a national Abraham Lincoln Memorial Parkway. HARTKE (D Ind.) -- 4/13/61 -- Interior and Insular Affairs.  
 S 1611 -- Provide for a parkway connection between Mount Vernon and Woodlawn Plantations in Virginia. BYRD (D Va.) -- 4/13/61 -- Public Works.  
 S 1629 -- Provide financial assistance to States for comprehensive water resources planning. ANDERSON (D N.M.), Chavez (D N.M.), Case (R S.D.), Kuchel (R Calif.), Jackson (D Wash.), Schoeppel (R Kan.), Bible (D Nev.), Moss (D Utah), Young (R N.D.), Gruening (D Alaska), Long (D Hawaii), Carroll (D Colo.), McGee (D Wyo.), Burdick (D N.D.), Metcalf (D Mont.), Hickey (D Wyo.), Engle (D Calif.) -- 4/14/61 -- Interior and Insular Affairs.

#### HOUSE

- HR 6133 -- Provide acceleration of land acquisition program for migratory bird refuges and waterfowl production areas. JOHNSON (D Wis.) -- 4/10/61 -- Merchant Marine and Fisheries.  
 HR 6170 -- Convey to Waukegan Port District, Illinois, certain real property of the U.S. CHURCH (R Ill.) -- 4/11/61 -- Public Works.  
 HR 6198 -- Provide payment by the U.S. of a portion of assessments for improvements benefiting federally owned real property in certain cases. KNOX (R Mich.) -- 4/11/61 -- Interior and Insular Affairs.  
 HR 6265 -- Amend title III of the act of March 3, 1933, re acquisition by the U.S. of articles, materials, and supplies for public use. SHELLEY (D Calif.) -- 4/12/61 -- Public Works.  
 HR 6305 -- Provide production of underground water on public lands. HARRISON (R Wyo.) -- 4/13/61 -- Interior and Insular Affairs.  
 HR 6324 -- Amend title 23, USC, on "Highways", section 129(b) to require congressional approval for inclusion of toll roads, bridges and tunnels as a part of Interstate System. CRAMER (R Fla.) -- 4/13/61 -- Public Works.

## 8. Taxes and Economic Policy

### ECONOMIC POLICY & REGULATIONS

#### SENATE

- S 1552 -- Amend and supplement antitrust laws re manufacture and distribution of drugs. KEFAUVER (D Tenn.) -- 4/12/61 -- Judiciary.



- S 1589 -- Amend Communications Act of 1934 to authorize issuance of radio operator licenses to nationals of the U.S. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1590 -- Amend Interstate Commerce Act to authorize Interstate Commerce Commission to authorize Interstate Commerce Commission, under certain circumstances, to deny, revoke or suspend operating authority granted under part II, or to order divestiture of interest. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1591 -- Amend sections 2322 and 2323, title 28, USC, re defense of Interstate Commerce Commission orders in the Federal courts. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1592 -- Amend Natural Gas Act re importation and exportation of natural gas. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1593 -- Amend Natural Gas Act to give Federal Power Commission authority to order natural gas companies to increase rates where necessary to correct undue discrimination. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1594 -- Amend section 4 of Natural Gas Act. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1595 -- Amend Natural Gas Act to give Federal Power Commission authority to suspend changes in rate schedules covering sales for resale for industrial use only. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1596 -- Amend Natural Gas Act to confer upon Federal Power Commission authority to exercise control over allocation of the available supply of natural gas moving in interstate commerce during periods of shortage or when required for national defense. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1597 -- Amend section 7(b) of Natural Gas Act. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1598 -- Amend section 7(c) of Natural Gas Act. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1599 -- Amend section 7(f) of Natural Gas Act. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1600 -- Amend Natural Gas Act to authorize Federal Power Commission to prescribe safety requirements for natural gas companies. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1601 -- Amend Natural Gas Act re interconnection of facilities for transportation of natural gas. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1602 -- Amend section 12 of Natural Gas Act re issuance of securities. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1603 -- Amend section 14 of Natural Gas Act. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1604 -- Amend section 15 of Natural Gas Act. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1605 -- Authorize Federal Power Commission to delegate its functions. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1606 -- Authorize Federal Power Commission to exempt small hydroelectric projects from certain of the licensing provisions of Federal Power Act. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1607 -- Amend Federal Power Act to prohibit abandonment of facilities and service without consent of Federal Power Commission. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1608 -- Amend section 205 of Federal Power Act. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1609 -- Amend Federal Power Act re intervention in Federal Power Commission proceedings. MAGNUSON (D Wash.) (by request) -- 4/13/61 -- Commerce.
- S 1619 -- Authorize adjustments in accounts of outstanding old series currency. PROXMIER (D Wis.) -- 4/14/61 -- Banking and Currency.
- S 1624 -- Amend section 77 of Bankruptcy Act. EASTLAND (D Miss.) -- 4/14/61 -- Judiciary.

# HOUSE

- HR 6137 -- Amend Natural Gas Act, re jurisdiction over sales of natural gas by independent producers. MACDONALD (D Mass.) -- 4/10/61 -- Interstate and Foreign Commerce.
- HR 6172 -- Similar to HR 6137. DINGELL (D Mich.) -- 4/11/61.
- HR 6245 -- Amend and supplement antitrust laws re manufacture and distribution of drugs. CELLER (D N.Y.) -- 4/12/61 -- Judiciary.
- HR 6257 -- Similar to HR 6137. MOSS (D Calif.) -- 4/12/61.
- HR 6314 -- Authorize Comptroller of Currency to establish reasonable maximum service charges levied on dormant accounts by national banks. MULTER (D N.Y.) -- 4/13/61 -- Banking and Currency.
- HR 6315 -- Establish Federal Deposit and Savings Insurance Board to manage Federal Deposit Insurance Corporation and Federal Savings and Loan Insurance Corporation. MULTER (D N.Y.) -- 4/13/61 -- Banking and Currency.
- HR 6317 -- Amend Federal Deposit Insurance Act and title IV of the National Housing Act to prohibit banks and savings and loan associations from employing inducements other than payment of interest or dividends to obtain deposits and similar funds from public. MULTER (D N.Y.) -- 4/13/61 -- Banking and Currency.

- H J Res 365 -- Temporarily suspend authority of Interstate Commerce Commission to approve consolidations, unifications, or acquisitions of control of railroad properties. STAGGERS (D W.Va.) -- 4/11/61 -- Interstate and Foreign Commerce.
- H J Res 370 -- Similar to H J Res 365. MOULDER (D Mo.) -- 4/13/61.
- H J Res 371 -- Similar to H J Res 365. RHODES (D Pa.) -- 4/13/61.

# COMMERCE

## SENATE

- S 1543 -- Authorize assistance under Small Business Act to small business concerns displaced as a result of urban renewal activities under Housing Act of 1949. JAVITS (R N.Y.) -- 4/12/61 -- Banking and Currency.
- S 1577 -- Create National Weather Council and provide coordination and central direction for an accelerated program of weather research, basic and applied. CASE (R S.D.), Kerr (D Okla.), Magnuson (D Wash.), Schoepfel (R Kan.), Chavez (D N.M.), Saltonstall (R Mass.), Wiley (R Wis.), Goldwater (R Ariz.), Carlson (R Kan.), Dirksen (R Ill.) -- 4/13/61 -- Commerce.

## HOUSE

- HR 6130 -- Amend act of August 11, 1939, re domestically produced fishery products to establish a fund for advancement of commercial fisheries. JOHNSON (D Calif.) -- 4/10/61 -- Merchant Marine and Fisheries.
- HR 6132 -- Stabilize mining of lead and zinc in the U.S. JOHNSON (D Calif.) -- 4/10/61 -- Ways and Means.
- HR 6252 -- Similar to HR 6130. GARMATZ (D Md.) -- 4/12/61.
- HR 6258 -- Amend Small Business Act to abolish Loan Policy Board of Small Business Administration. MULTER (D N.Y.) -- 4/12/61 -- Banking and Currency.
- HR 6259 -- Similar to HR 6130. MULTER (D N.Y.) -- 4/12/61.
- HR 6292 -- Relieve gold mining and related industries. DOMINICK (R Colo.) -- 4/13/61 -- Banking and Currency.
- HR 6366 -- Prohibit certain tampering with speedometers on motor vehicles used in commerce. MULTER (D N.Y.) -- 4/13/61 -- Interstate and Foreign Commerce.

# LABOR

## NO INTRODUCTIONS

## TRANSPORTATION

## SENATE

- S 1502 -- Amend Merchant Marine Act, 1936, to provide for certain purposes cargo containers for use with a vessel be considered part of such vessel. BUTLER (R Md.) -- 4/3/61 -- Commerce.
- S 1267 -- Admit certain vessels to American registry and permit use in coastwise trade. ENGLE (D Calif.) (by request) -- 4/14/61 -- Commerce.
- S J Res 73 -- Promote foreign commerce of the U.S. through use of ships and other appropriate craft and motor vehicles for traveling trade fairs. SPARKMAN (D Ala.), Randolph (D W.Va.), Javits (R N.Y.), Engle (D Calif.), Gruening (D Alaska), Pell (D R.I.), Humphrey (D Minn.), Moes (D Utah) -- 4/13/61 -- Commerce.

## HOUSE

- HR 6124 -- Amend Shipping Act, 1916, to provide for licensing independent ocean freight forwarders. BOGGS (D La.) -- 4/10/61 -- Merchant Marine and Fisheries.
- HR 6147 -- Admit certain vessels to American registry and permit use in coastwise trade. SHELLEY (D Calif.) -- 4/10/61 -- Merchant Marine and Fisheries.
- HR 6182 -- Amend section 202(c) of Interstate Commerce Act to provide for partial exemption from part II of terminal area motor carrier operations performed by or for common carriers by water in interstate commerce subject to Shipping Act, 1916 and Intercoastal Shipping Act, 1933. GUBSER (R Calif.) -- 4/11/61 -- Interstate and Foreign Commerce.
- HR 6194 -- Similar to HR 6182. HOSMER (R Calif.) -- 4/11/61.
- HR 6197 -- Permit admission to registry and use in coastwise trade of not more than two foreign-built hydrofoil vessels. KING (D Calif.) -- 4/11/61 -- Merchant Marine and Fisheries.
- HR 6210 -- Amend Shipping Act, 1916, to provide for licensing independent ocean freight forwarders. TOLLEFSON (R Wash.) -- 4/11/61 -- Merchant Marine and Fisheries.
- HR 6246 -- Similar to HR 6182. COHELAN (D Calif.) -- 4/12/61.
- HR 6247 -- Amend Interstate Commerce Act, as amended, to extend to railroads a conditional exemption from economic regulation comparable to that provided for motor carriers engaged in the transportation of ordinary livestock, fish, or agricultural commodities. CUNNINGHAM (R Neb.) -- 4/12/61 -- Interstate and Foreign Commerce.
- HR 6248 -- Provide economic regulation of certain motor vehicles heretofore conditionally exempt therefrom under section 203 (b) (6) of Interstate Commerce Act, as amended. CUNNINGHAM (R Neb.) -- 4/12/61 -- Interstate and Foreign Commerce.

HR 6256 -- Similar to HR 810. MAILLIARD (R Calif.) -- 4/12/61.  
 HR 6270 -- Similar to HR 6182. THOMPSON (D La.) -- 4/12/61.  
 HR 6296 -- Create Intercoastal Canals Commission. FLOOD (D Pa.) -- 4/13/61 -- Merchant Marine and Fisheries.  
 HR 6309 -- Amend title VI of Merchant Marine Act, 1936, as amended, to increase certain limitations in payments on account of operating-differential subsidy. BONNER (D N.C.) -- 4/13/61 -- Merchant Marine and Fisheries.  
 H Con Res 214 -- Express sense of Congress re use of aircraft capable of excessive speed in the carrying of passengers for hire. DEROUNIAN (R N.Y.) -- 4/10/61 -- Interstate and Foreign Commerce.

## TAXES

## SENATE

S 1505 -- Repeal tax on general telephone service and tax on transportation of persons. MORSE (D Ore.) -- 4/3/61 -- Finance.  
 S 1519 -- Amend Internal Revenue Code of 1954 to allow an additional exemption of \$600 for a dependent child of taxpayer who is a full-time student above the secondary level. JOHNSTON (D S.C.) -- 4/6/61 -- Finance.  
 S 1550 -- Repeal tax on transportation of persons. CARLSON (R Kan.) -- 4/12/61 -- Finance.  
 S 1551 -- Repeal tax on general telephone service. CARLSON (R Kan.) -- 4/12/61 -- Finance.  
 S 1613 -- Amend section 162 of Internal Revenue Code of 1954 re legislative proposals. CAPEHART (R Ind.) -- 4/13/61 -- Finance.  
 S 1625 -- Amend Internal Revenue Code of 1954, to terminate special tax treatment now accorded certain employee stock options. GORE (D Tenn.) -- 4/14/61 -- Finance.

## HOUSE

HR 6125 -- Remove excise tax on musical instruments. BOGGS (D La.) -- 4/10/61 -- Ways and Means.  
 HR 6127 -- Amend Internal Revenue Code of 1954 to permit an individual who moves to obtain employment to deduct moving and traveling expenses, and permit him to treat as a capital loss any loss incurred on sale of his home. BROOMFIELD (R Mich.) -- 4/10/61 -- Ways and Means.  
 HR 6128 -- Repeal manufacturers excise tax on household type incinerator and garbage disposal units. CEDERBERG (R Mich.) -- 4/10/61 -- Ways and Means.  
 HR 6167 -- Amend Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer supporting a dependent who is permanently and totally disabled. BERRY (R S.D.) -- 4/11/61 -- Ways and Means.  
 HR 6186 -- Provide food and non-alcoholic beverages served at a roof garden, cabaret, or other similar place not be subject to cabaret tax. GUBSER (R Calif.) -- 4/11/61 -- Ways and Means.  
 HR 6187 -- Amend Internal Revenue Code of 1954 to provide that the Secretary of Treasury be bound by decisions of certain federal courts. GUBSER (R Calif.) -- 4/11/61 -- Ways and Means.  
 HR 6189 -- Amend section 213 of Internal Revenue Code of 1954 to provide that amounts paid for the medical and dental care of children who have not attained age of 6 shall be deductible without limitations contained in such section. GUBSER (R Calif.) -- 4/11/61 -- Ways and Means.  
 HR 6196 -- Amend Internal Revenue Codes re exemption from admission taxes. HUDDLESTON (D Ala.) -- 4/11/61 -- Ways and Means.  
 HR 6211 -- Amend section 4242 of Internal Revenue Code of 1954 to exempt from club dues tax certain charges made by nonprofit clubs for the use of facilities. TOLLEFSON (R Wash.) -- 4/11/61 -- Ways and Means.

HR 6250 -- Repeal tax on transportation of persons. DEROUNIAN (R N.Y.) -- 4/12/61 -- Ways and Means.  
 HR 6251 -- Repeal excise tax on communications. DEROUNIAN (R N.Y.) -- 4/12/61 -- Ways and Means.  
 HR 6262 -- Amend Internal Revenue Code to assist small and independent business. NELSEN (R Minn.) -- 4/12/61 -- Ways and Means.  
 HR 6264 -- Amend Internal Revenue Code of 1954 re expenditures for rehabilitation and modernization of residential structures. O'HARA (D Ill.) -- 4/12/61 -- Ways and Means.  
 HR 6271 -- Re election of certain partnerships and proprietorships taxed as domestic corporations. UTT (R Calif.) -- 4/12/61 -- Ways and Means.  
 HR 6281 -- Amend Internal Revenue Code of 1954 to increase percentage rate applicable to domestic gold ores for deduction for depletion. BARRING (D Nev.) -- 4/13/61 -- Ways and Means.  
 HR 6284 -- Assist small business and persons engaged in small business by allowing a deduction, for federal income tax purposes, for additional investment in depreciable assets, inventory, and accounts receivable. CONTE (R Mass.) -- 4/13/61 -- Ways and Means.  
 HR 6291 -- Similar to HR 6127. DERWINSKI (R Ill.) -- 4/13/61.  
 HR 6304 -- Amend Internal Revenue Code of 1954 re definition of "dependent" for medical expense deduction. HALL (R Mo.) -- 4/13/61 -- Ways and Means.  
 HR 6307 -- Allow a taxpayer a deduction from gross income for tuition and other expenses paid for his education or education of spouse or any dependents. HAYS (D Ohio) -- 4/13/61 -- Ways and Means.  
 HR 6308 -- Similar to HR 6307. HOLLAND (D Pa.) -- 4/13/61.  
 HR 6310 -- Amend Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer or spouse who has had a laryngectomy. LIPSCOMB (R Calif.) -- 4/13/61 -- Ways and Means.  
 HR 6313 -- Permit withholding for state income taxes on compensation of federal employees whose regular place of federal employment is in a state contiguous to state in which they reside. MATHIAS (R Md.) -- 4/13/61 -- Ways and Means.  
 HR 6318 -- Similar to HR 1923. OLSEN (D Mont.) -- 4/13/61.  
 HR 6319 -- Repeal manufacturers excise taxes on automobiles and on parts and accessories, reduce manufacturers excise tax on trucks and buses to 5 percent. RABAUT (D Mich.) -- 4/13/61 -- Ways and Means.

## TARIFFS

## SENATE

S 1571 -- Amend Tariff Act of 1930 to impose a duty on shrimps and provide duty-free entry of unprocessed shrimps annually in amount equal to imports of shrimps in 1960. LONG (D La.), Smathers (D Fla.), Talmadge (D Ga.), Bartlett (D Alaska) -- 4/13/61 -- Finance.

## HOUSE

HR 6168 -- Amend Tariff Act of 1930 to impose a duty on shrimps and provide for duty free entry of unprocessed shrimps annually in an amount equal to imports of shrimps in 1960. BOGGS (D La.) -- 4/11/61 -- Ways and Means.  
 HR 6202 -- Amend Tariff Act of 1930 to impose a duty upon importation of bread. McINTIRE (R Maine) -- 4/11/61 -- Ways and Means.  
 HR 6212 -- Amend Tariff Act of 1930 to impose a duty on shrimps and provide duty free entry of unprocessed shrimps annually in an amount equal to imports of shrimps in 1960. WILLIS (D La.) -- 4/11/61 -- Ways and Means.  
 HR 6294 -- Similar to HR 6168. FASCELL (D Fla.) -- 4/13/61.  
 H Con Res 213 -- Similar to H Con Res 4. BAKER (R Tenn.) -- 4/10/61.

## Capitol Brief

## CONGRESSMEN IN BROADCASTING

Broadcasting Magazine April 17 published a list of 10 Senators and 13 Representatives in the 87th Congress who had either a direct or family-connected interest in commercial or noncommercial-educational broadcasting, according to Federal Communications Commission records. This was a decrease of seven from the magazine's listing for the 86th Congress.  
 Sen. Warren G. Magnuson (D Wash.) was the only Member of Congress who both owned radio stock and served on his chamber's Commerce Committee, which deals with the regulation of interstate communications among other duties. Magnuson serves as Chairman of the Senate Committee, but does not serve on the Communications Subcommittee.

Sen. Robert S. Kerr (D Okla.) was listed as the only Member of Congress who, with his family, had controlling interest in a radio-television outlet.

Minority shareholders in the Senate were listed as: Clinton P. Anderson (D N.M.) and B. Everett Jordan (D N.C.). In the House the minority shareholders were listed as: J. Floyd Breeding (D Kan.), James J. Delaney (D N.Y.), L.H. Fountain (D N.C.), Porter Hardy Jr. (D Va.), Paul C. Jones (D Mo.), Eugene J. Keogh (D N.Y.), Richard E. Lankford (D Md.), Albert Rains (D Ala.), and William W. Scranton (R Pa.).

Those listed as having family-connected holdings or interests, and the relationship of the holder were: Rep. Phil Weaver (R Neb.) -- wife of a nephew; Sen. Roman L. Hruska (R Neb.) -- brother (director of a non-profit, educational station); Sen. Winston L. Prouty (R Vt.) -- cousin; Sen. Otis D. Johnston (D S.C.) -- wife; Sen. Willis A. Robertson (D Va.) -- brother; Sen. Herman E. Talmadge (D Ga.) -- aunt (member of Board of Education which licensed educational stations); Rep. George H. Mahon (D Texas) -- brother and nephew; and Sen. John J. Sparkman (D Ala.) -- wife. Sparkman also served as a trustee of the educational station of which his wife was listed as part owner. Rep. Thomas B. Curtis (R Mo.) was listed as a trustee of a college, and as such a trustee of the college commercial station. Rep. John W. Davis (D Ga.) was listed as a director of a commercial station, although not a stockholder. Davis told Congressional Quarterly he had resigned prior to his election to Congress.

## CQ Senate Votes 24 through 28.

# Senate Takes Up Administration's Wage-Hour Bill, Rejects Amendments Reducing Coverage of New Workers

24. HR 3935. Fair Labor Standards Amendments of 1961. Dirksen (R Ill.) amendment to substitute for the coverage provisions of the committee bill those of the House-passed Ayres-Kitchin bill, extending minimum-wage but not overtime provisions to about 1.3 million additional persons (compared with the 4,063,000 in the committee bill), while retaining the minimum-wage raise from \$1 an hour to \$1.25 an hour provided by the committee bill. Rejected 34-63 (D 10-53; R 24-10), April 18, 1961. A "nay" was a vote supporting the President's position. (See story p. 659)
25. HR 3935. Russell (D Ga.) amendment to eliminate all overtime and coverage changes in the Fair Labor Standards Act and limit the bill to raising the minimum wage for those already covered to \$1.15 an hour during the first two years in effect and \$1.25 thereafter. Rejected 34-63 (D 14-50; R 20-13), April 18, 1961. A "nay" was a vote supporting the President's position.
26. HR 3935. Holland (D Fla.) amendment to extend coverage only to 273,000 workers in seafood processing, transit systems,

the merchant marine and small independent telephone exchanges. Rejected 35-62 (D 14-49; R 21-13), April 18, 1961. A "nay" was a vote supporting the President's position.

27. HR 3935. Prouty (R Vt.) amendment to permit the Secretary of Labor, if he found that any scheduled increase in the minimum wage would create substantial unemployment, to suspend the increase for 60 days in order to give Congress time to act if it chose. Rejected 39-58 (D 9-54; R 30-4), April 18, 1961. The President did not take a position on the amendment.

28. HR 3935. Goldwater (R Ariz.) amendment to require the Secretary of Labor to recommend import quotas or tariffs, which the President at his discretion could put in effect, if after investigation the Secretary determined that imports from low-wage countries were endangering the living standards of U.S. workers whose wages were regulated by state or federal law. Rejected 39-55 (D 15-46; R 24-9), April 19, 1961. The President did not take a position on the amendment.

TOTAL						DEMOCRATIC						REPUBLICAN					
Vote No.	24	25	26	27	28	Vote No.	24	25	26	27	28	Vote No.	24	25	26	27	28
Yea	34	34	35	39	39	Yea	10	14	14	9	15	Yea	24	20	21	30	24
Nay	63	63	62	58	55	Nay	53	50	49	54	46	Nay	10	13	13	4	9

24 25 26 27 28					24 25 26 27 28					24 25 26 27 28					24 25 26 27 28				
ALABAMA					INDIANA					NEBRASKA					SOUTH CAROLINA				
Hill					Hartke					Curtis					Johnston				
Sparkman					Capehart					Hruska					Thurmond				
ALASKA					IOWA					NEVADA					SOUTH DAKOTA				
Bartlett					Hickenlooper					Bible					Case				
Greening					Miller					Cannon					Mundt				
ARIZONA					KANSAS					NEW HAMPSHIRE					TENNESSEE				
Hayden					Carlson					Bridges					Gore				
Goldwater					Schoeppel					Cotton					Kefauver				
ARKANSAS					KENTUCKY					NEW JERSEY					TEXAS				
Fulbright					Cooper					Williams					Blakley				
McClellan					Morton					Case					Yarborough				
CALIFORNIA					LOUISIANA					NEW MEXICO					UTAH				
Engle					Ellender					Anderson					Moss				
Kuchel					Long					Chavez					Bennett				
COLORADO					MAINE					NEW YORK					VERMONT				
Carroll					Muskie					Javits					Aiken				
Allott					Smith					Keating					Prouty				
CONNECTICUT					MARYLAND					NORTH CAROLINA					VIRGINIA				
Dodd					Beall					Ervin					Byrd				
Busb					Butler					Jordan					Robertson				
DELAWARE					MASSACHUSETTS					NORTH DAKOTA					WASHINGTON				
Baggs					Smith					Burdick					Jackson				
Williams					Saltinall					Young					Magnuson				
FLORIDA					MICHIGAN					OHIO					WEST VIRGINIA				
Holland					Hart					Lausche					Byrd				
Smathers					McNamara					Young					Randolph				
GEORGIA					MINNESOTA					OKLAHOMA					WISCONSIN				
Russell					Humphrey					Kerr					Proxmire				
Talmadge					McCarthy					Monroney					Wiley				
HAWAII					MISSISSIPPI					OREGON					WYOMING				
Long					Eastland					Morse					Hickey				
Fong					Stennis					Neuberger					McGee				
IDAHO					MISSOURI					PENNSYLVANIA									
Church					Long					Clark									
Dworshak					Symington					Scott									
ILLINOIS					MONTANA					RHODE ISLAND									
Douglas					Mansfield					Pastore									
Dirksen					Metcalfe					Pell									

Democrats in this type; Republicans in italics



## Senate Passes President's Minimum Wage Bill, 65-28, After 39-56 Vote Rejecting Monroney Coverage Restriction

29. HR 3935. Fair Labor Standards Amendments of 1961. Monroney (D Okla.) amendment to revise the committee bill so that retail, service, gas-station, laundry and construction workers would be covered by the Fair Labor Standards Act not on the basis of a dollar-volume-of-business test, but only if they worked in an enterprise with retail or service establishments in two or more states (this would have reduced coverage from 4,043,000 additional workers to about 2.5 million). Rejected 39-56 (D 20-43; R 19-13), April 19, 1961. A "nay" was a vote supporting the President's position. (See story p. 659)

30. HR 3935. Smathers (D Fla.) amendment to strike out provisions extending minimum-wage coverage to laundry workers (about 140,000 persons). Rejected 45-52 (D 21-42; R 24-10),

April 19, 1961. A "nay" was a vote supporting the President's position.

31. HR 3935. Senate version of the Fair Labor Standards Amendments of 1961, raising the minimum wage for 23.9 million workers already covered by the Fair Labor Standards Act from \$1 an hour to \$1.15 an hour during the first two years after the bill took effect, and to \$1.25 an hour thereafter, and extending overtime coverage (with certain exceptions) and minimum-wage coverage (at \$1.25 an hour reached in four steps) to about 4,043,000 additional workers employed by laundries, gas-stations, retail and service businesses, construction firms, seafood processors, transit systems, merchant ships and telephone exchanges. Passage of the bill. Passed 65-28 (D 51-11; R 14-17), April 20, 1961. A "yea" was a vote supporting the President's position.

TOTAL				DEMOCRATIC				REPUBLICAN			
Vote No.	29	30	31	Vote No.	29	30	31	Vote No.	29	30	31
Yea	39	45	65	Yea	20	21	51	Yea	19	24	14
Nay	56	52	28	Nay	43	42	11	Nay	13	10	17

29 30 31			29 30 31			29 30 31			Y Record Vote For (yea). ✓ Paired For. ‡ Announced For, CQ Poll For. N Record Vote Against (nay). X Paired Against. - Announced Against, CQ Poll Against. ? Absent, General Pair, "Present," Did not announce or answer Poll.
ALABAMA			INDIANA			NEBRASKA			29 30 31 SOUTH CAROLINA Johnston N N Y Thurmond Y Y N SOUTH DAKOTA Case Y N N Mundt Y Y N TENNESSEE Gore Y Y Y Kefauver N Y Y TEXAS Blakley Y Y N Yarborough N N Y UTAH Moss N N Y Bennett Y Y N VERMONT Aiken N N Y Prouty N N Y VIRGINIA Byrd Y Y N Robertson ✓ ‡ X WASHINGTON Jackson N N Y Magnuson N N Y WEST VIRGINIA Byrd N N Y Randolph N N Y WISCONSIN Proxmire N N Y Wiley ? ? Y WYOMING Hickey N N Y McGee N N Y
Hill	Y	Y	Hortke	N	N	Curtis	Y	Y	
Sparkman	Y	Y	Capehart	Y	Y	Hruska	Y	Y	
ALASKA			IOWA			NEVADA			
Bartlett	N	N	Hickenlooper	Y	Y	Bible	N	N	
Gruening	N	N	Miller	N	N	Cannon	N	N	
ARIZONA			KANSAS			NEW HAMPSHIRE			
Hayden	N	N	Carlson	Y	Y	Bridges	?	Y	
Goldwater	Y	Y	Schoepfel	Y	Y	Cotton	Y	Y	
ARKANSAS			KENTUCKY			NEW JERSEY			
Fulbright	Y	Y	Cooper	N	Y	Williams	N	N	
McClellan	Y	Y	Morton	Y	Y	Case	N	N	
CALIFORNIA			LOUISIANA			NEW MEXICO			
Engle	N	N	Ellender	Y	Y	Anderson	N	N	
Kuchel	N	N	Long	N	Y	Chavez	N	N	
COLORADO			MAINE			NEW YORK			
Carroll	N	N	Muskie	N	N	Javits	N	N	
Allott	Y	Y	Smith	N	Y	Keating	N	N	
CONNECTICUT			MARYLAND			NORTH CAROLINA			
Dodd	N	N	Beall	Y	Y	Ervin	Y	Y	
Bush	N	N	Butler	Y	Y	Jordan	Y	Y	
DELAWARE			MASSACHUSETTS			NORTH DAKOTA			
Boggs	N	N	Smith	N	N	Burdick	N	N	
Williams	Y	Y	Saltonstall	Y	Y	Young	X	Y	
FLORIDA			MICHIGAN			OHIO			
Holland	Y	Y	Hart	N	N	Lausche	Y	N	
Smathers	Y	Y	McNamara	N	N	Young	N	N	
GEORGIA			MINNESOTA			OKLAHOMA			
Russell	Y	Y	Humphrey	N	N	Kerr	Y	Y	
Talmadge	Y	Y	McCarthy	N	N	Monroney	Y	Y	
HAWAII			MISSISSIPPI			OREGON			
Long	N	N	Eastland	Y	Y	Morse	N	N	
Fong	N	N	Stennis	Y	Y	Neuberger	N	N	
IDAHO			MISSOURI			PENNSYLVANIA			
Church	‡	? Y	Long	N	N	Clark	N	N	
Dworsbak	Y	Y	Symington	N	N	Scott	N	N	
ILLINOIS			MONTANA			RHODE ISLAND			
Douglas	N	N	Mansfield	N	N	Pastore	N	N	
Dirksen	Y	Y	Metcalf	N	N	Pell	N	N	

Democrats in this type; Republicans in italics

# CQ House Votes 19 through 20.

(Corresponding to Congressional Record Roll-Call Vote Nos. 38, 40.)

## House Passes Bill Creating 70 New Judgeships, Approves Broadening of Social Security Benefits, 400-14

19. S 912. Create 10 new federal circuit court judgeships and 60 new district court judgeships. Passed 337-76 (D 250-0; R 87-76), April 19, 1961. A "yea" was a vote supporting the President's position. (See story p. 662)
20. HR 6027. Social Security Amendments of 1961, increasing minimum benefits for retired workers, permitting men as well as women to retire at age 62 with reduced benefits, increasing widows' benefits, liberalizing eligibility requirements and providing an increased payroll tax. Passed 400-14 (D 251-0; R 149-14), April 20, 1961. A "yea" was a vote supporting the President's position. (See story p. 661)

TOTAL				DEMOCRATIC				REPUBLICAN			
Vote No.		19	20	Vote No.		19	20	Vote No.		19	20
Yea		337	400	Yea		250	251	Yea		87	149
Nay		76	14	Nay		0	0	Nay		76	14

19 20		19 20		19 20		- KEY -
ALABAMA		19 Holifield Y Y		HAWAII		Y Record Vote For (yea). ✓ Paired For. ‡ Announced For, CQ Poll For. N Record Vote Against (nay). X Paired Against. - Announced Against, CQ Poll Against. Y Absent, General Pair, "Present," Did not announce or answer Poll.
3 Andrews Y Y		17 King Y Y		AL Inouye Y Y		
1 Boykin Y Y		26 Roosevelt ✓ Y		IDAHO		
7 Elliott Y Y		16 Bell Y Y		2 Harding Y Y		
2 Grant ? Y		21 Hiestand N Y		1 Pfost Y Y		
9 Huddleston Y Y		18 Hosmer Y Y		ILLINOIS		
8 Jones Y Y		24 Lipscomb Y Y		25 Gray Y Y		
5 Rains Y Y		15 McDonough Y Y		21 Mack Y Y		
4 Roberts Y Y		25 Rousselot Y N		24 Price Y Y		
6 Selden Y Y		20 Smith Y Y		23 Shipley Y Y		
ALASKA		COLORADO		16 Anderson N Y		
AL Rivers Y Y		4 Aspinall Y Y		17 Arends N Y		
ARIZONA		1 Rogers Y Y		19 Chipfield N Y		
2 Vacancy		3 Chenoweth Y Y		20 Findley N N		
1 Rhodes Y Y		2 Dominick Y Y		14 Hoffman N N		
ARKANSAS		CONNECTICUT		15 Mason X X		
5 Alford Y Y		1 Daddario Y Y		18 Michel N N		
1 Gathings ? Y		3 Giaimo ? Y		22 Springer Y Y		
4 Harris Y Y		AL Kowalski Y Y		Chicago Cook County		
2 Mills Y Y		5 Monagan Y Y		1 Dawson Y Y		
6 Vacancy		2 Seely-Brown Y Y		12 Finnegan Y Y		
3 Trimble Y Y		4 Sibal Y Y		5 Kluczynski Y Y		
CALIFORNIA		DELAWARE		7 Libonati Y Y		
7 Cohelan Y Y		AL McDowell Y Y		3 Murphy Y Y		
14 Hagen Y Y		FLORIDA		6 O'Brien Y Y		
2 Johnson Y Y		2 Bennett Y Y		2 O'Hara Y Y		
11 McFall Y Y		4 Fascell Y Y		11 Pucinski Y Y		
1 Miller C.W. Y Y		7 Haley Y Y		8 Rostenkowski Y Y		
8 Miller G.P. Y Y		5 Herlong Y Y		9 Yates Y Y		
3 Moss Y Y		8 Matthews Y Y		13 Church Y Y		
29 Sound Y Y		6 Rogers Y Y		10 Collier Y Y		
5 Shelley Y Y		3 Sikes Y Y		4 Derwinski Y Y		
27 Sheppard Y Y		1 Cramer Y Y		INDIANA		
12 Sisk Y Y		GEORGIA		3 Brademas Y Y		
6 Baldwin Y Y		8 Blitch Y Y		8 Denton Y Y		
10 Gubser Y Y		5 Davis J.C. ✓ ?		1 Madden Y Y		
4 Mailliard Y Y		7 Davis J.W. Y ?		4 Adair Y Y		
13 Teague Y Y		4 Flynt Y Y		7 Bray Y Y		
28 Utt X X		3 Forrester Y Y		11 Bruce Y Y		
30 Wilson Y Y		1 Hagan Y Y		5 Vacancy Y Y		
9 Younger N Y		9 Landrum Y ?		2 Halleck Y Y		
Los Angeles Co.		2 Pilcher Y Y		10 Harvey Y Y		
22 Corman Y Y		10 Stephens Y Y		6 Roudsbush Y Y		
23 Doyle Y Y		6 Vinson Y Y		9 Wilson Y Y		
						IOWA
						6 Coad Y Y
						5 Smith Y Y
						2 Bromwell Y Y
						3 Gross N Y
						8 Hoeven Y Y
						7 Jensen Y Y
						4 Kyl N Y
						1 Schwengel Y Y
						KANSAS
						5 Breeding Y Y
						1 Auery Y Y
						6 Dole N N
						2 Ellsworth Y Y
						3 McVey ? Y
						4 Shriver Y Y
						KENTUCKY
						3 Burke Y Y
						4 Chelf Y Y
						2 Natcher Y Y
						7 Perkins Y Y
						5 Spence Y Y
						1 Stubblefield Y Y
						6 Watts Y Y
						8 Siler N Y
						LOUISIANA
						2 Boggs Y ✓
						4 Brooks Y Y
						1 Hebert Y Y
						8 McSween Y Y

Democrats in this type; Republicans in Italics

# CQ House Votes 19 through 20.

(Corresponding to Congressional Record Roll-Call Vote Nos. 38, 40.)

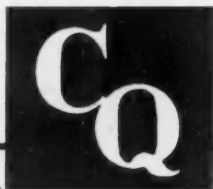
19 20	19 20	19 20	19 20
6 Morrison Y Y	<b>NEBRASKA</b>	5 Scott Y Y	6 McMillan Y Y
5 Passman Y Y	3 Beermann N N	12 Taylor Y Y	2 Riley Y Y
7 Thompson Y Y	2 Cunningham Y Y	11 Whitener Y Y	1 Rivers Y Y
3 Willis Y Y	4 Martin N N	10 Jonas N Y	<b>SOUTH DAKOTA</b>
<b>MAINE</b>	1 Weaver Y Y	<b>NORTH DAKOTA</b>	2 Berry N Y
1 Garland Y Y	<b>NEVADA</b>	AL Nygaard N Y	1 Reifel X ?
3 McIntire N Y	AL Baring Y Y	AL Short N N	<b>TENNESSEE</b>
2 Tupper Y Y	<b>NEW HAMPSHIRE</b>	<b>OHIO</b>	6 Bass Y ?
<b>MARYLAND</b>	2 Bass Y Y	9 Ashley Y Y	9 Davis ? Y
2 Brewster Y Y	1 Merrow Y Y	11 Cook Y Y	8 Everett Y Y
4 Fallon Y Y	<b>NEW JERSEY</b>	20 Feighan Y Y	4 Evins Y Y
7 Friedel Y Y	11 Addonizio Y Y	18 Hays ? Y	3 Frazier Y Y
3 Garmatz Y Y	14 Daniels Y Y	19 Kirwan Y Y	5 Loser Y Y
1 Johnson Y Y	13 Gallagher Y Y	10 Moeller Y Y	7 Murray Y Y
5 Lankford Y Y	8 Joelson Y Y	21 Vanik Y Y	2 Baker Y Y
6 Matbias Y Y	10 Rodino Y Y	17 Ashbrook N Y	1 Vacancy
<b>MASSACHUSETTS</b>	4 Thompson Y Y	14 Ayres Y Y	<b>TEXAS</b>
2 Boland Y Y	3 Auchincloss Y Y	8 Betts Y Y	3 Beckworth Y Y
13 Burke Y Y	1 Cabill N Y	22 Bolton N Y	2 Brooks Y Y
4 Danohue Y Y	6 Dwyer Y Y	16 Bow N Y	17 Burleson Y Y
7 Lane Y Y	5 Frelinghuysen Y Y	7 Brown N Y	22 Casey Y Y
8 Macdonald Y Y	2 Glenn Y Y	2 Clancy N Y	7 Dowdy Y Y
12 McCormack Y Y	9 Osmer Y Y	12 Devine N Y	21 Fisher Y Y
11 O'Neill Y Y	12 Wallbauser Y Y	6 Harsba N ?	13 Ikard Y Y
3 Philbin N Y	7 Widnall Y Y	5 Latta Y Y	20 Kilday Y Y
6 Bates N Y	<b>NEW MEXICO</b>	4 McCulloch Y Y	15 Kilgore Y Y
1 Conte N Y	AL Montoya Y Y	23 Minshall N Y	19 Mahon Y Y
10 Curtis Y Y	AL Morris Y Y	15 Moorehead N Y	1 Patman Y Y
9 Keith Y ?	<b>NEW YORK</b>	13 Mosher N Y	11 Poage Y Y
14 Martin N Y	1 Dolski Y Y	3 Schenck Y Y	4 Rayburn Y Y
5 Morse ✓ Y	30 O'Brien Y Y	1 Scherer N N	18 Rogers Y Y
<b>MICHIGAN</b>	1 Pike Y Y	<b>OKLAHOMA</b>	16 Rutherford Y Y
7 O'Hara Y ?	32 Stratton Y Y	3 Albert Y Y	6 Teague Y Y
12 Bennett Y Y	27 Barry N Y	2 Edmondson Y Y	8 Thomas Y Y
18 Broomfield N Y	3 Becker Y Y	5 Jarman Y Y	9 Thompson Y Y
10 Cederberg N Y	2 Deromian Y Y	4 Stead Y Y	10 Thornberry Y Y
6 Chamberlain Y Y	26 Dooley N Y	6 Wickersham Y Y	12 Wright Y Y
5 Ford N Y	43 Goodell Y Y	1 Belcher Y Y	14 Young Y ?
9 Griffin N Y	33 Kilburn N Y	<b>OREGON</b>	5 Alger N N
8 Harvey N Y	31 King N Y	3 Green Y Y	<b>UTAH</b>
4 Hoffman X N	40 Miller N Y	2 Ullman Y Y	2 King Y Y
3 Johansen Y N	39 Ostertag Y Y	4 Durno N Y	1 Peterson Y Y
11 Knox N Y	42 Pillton N Y	1 Norblad N Y	<b>VERMONT</b>
2 Meader N Y	34 Pirnie N Y	<b>PENNSYLVANIA</b>	AL Stafford Y Y
<b>Detroit - Wayne County</b>	35 Rieblman N Y	25 Clark Y Y	<b>VIRGINIA</b>
13 Diggs Y ?	37 Robison N Y	21 Dent Y Y	4 Abbitt Y Y
15 Dingell Y ?	28 St. George N Y	11 Flood Y Y	1 Downing Y Y
17 Griffiths Y Y	36 Taber N X	30 Holland Y Y	3 Gary Y Y
16 Lesinski Y Y	38 Weis Y Y	28 Moorhead Y Y	2 Hardy Y Y
1 Machrowicz Y Y	29 Wharton N Y	26 Morgan Y Y	7 Harrison Y Y
14 Rabaut Y Y	<b>New York City</b>	14 Rhodes Y Y	9 Jennings Y Y
<b>MINNESOTA</b>	5 Addabbo Y Y	15 Walter Y Y	8 Smith Y Y
8 Blatnik Y Y	8 Anfuso Y Y	29 Corbett Y Y	5 Tuck Y Y
4 Karth Y Y	24 Buckley Y Y	8 Curtin Y ?	10 Broyhill Y Y
6 Marshall Y Y	12 Carey Y Y	9 Dague Y Y	6 Poff N Y
7 Andersen N Y	11 Celler Y Y	12 Fenton ? ✓	<b>WASHINGTON</b>
5 Judd ✓ Y	7 Delaney Y Y	27 Fulton Y Y	3 Hansen Y Y
9 Langen N Y	19 Farbstain Y Y	23 Gavin Y Y	7 Magnuson Y Y
3 MacGregor N ✓	22 Gilbert Y Y	19 Goodling N Y	5 Horan Y Y
2 Nelsen N Y	23 Healey Y Y	24 Keams ? Y	4 May Y Y
1 Quie N Y	6 Holtzman Y Y	7 Milliken N Y	1 Pelly Y Y
<b>MISSISSIPPI</b>	10 Kelly Y Y	16 Vacancy Y Y	6 Tollefson Y Y
1 Abernethy Y Y	9 Keogh Y Y	22 Saylor Y Y	2 Westland N Y
6 Colmer Y Y	13 Multer Y Y	17 Schneebeil Y Y	<b>WEST VIRGINIA</b>
3 Smith Y Y	16 Powell ? Y	13 Schweikey Y Y	3 Bailey Y Y
2 Whitten Y Y	14 Rooney Y Y	10 Scranton Y Y	4 Hechler Y Y
4 Williams Y Y	20 Ryan Y Y	20 Van Zandt Y Y	5 Kee Y Y
5 Winstead Y Y	18 Santangelo Y Y	18 Whalley Y Y	6 Slack ? Y
<b>MISSOURI</b>	21 Zelenko Y Y	<b>Philadelphia City</b>	2 Staggers Y Y
5 Bolling Y Y	25 Fino N Y	1 Barrett Y Y	1 Moore Y Y
9 Cannon Y Y	4 Halpern Y Y	3 Byrne Y Y	<b>WISCONSIN</b>
6 Hull Y Y	17 Lindsay Y Y	2 Granahan Y Y	9 Johnson Y Y
8 Ichord Y Y	15 Ray N N	5 Green Y Y	2 Kastenmeier Y Y
10 Jones Y Y	<b>NORTH CAROLINA</b>	4 Nix Y Y	5 Reuss Y Y
1 Karsten Y Y	9 Alexander Y Y	6 Toll Y Y	4 Zablocki Y Y
11 Moulder Y Y	1 Bonner Y Y	<b>RHODE ISLAND</b>	8 Byrnes N Y
4 Randall Y Y	4 Cooley Y Y	2 Fogarty Y Y	7 Laird N Y
3 Sullivan Y Y	2 Fountain Y Y	1 St. Germain Y Y	10 O'Konski N Y
2 Curtis N N	3 Henderson Y Y	<b>SOUTH CAROLINA</b>	1 Schadeberg N Y
7 Hall N Y	8 Kitchin Y Y	4 Ashmore Y Y	3 Thomson N Y
<b>MONTANA</b>	6 Kornegay Y Y	3 Dorn Y Y	6 Van Pelt N Y
1 Olsen Y Y	7 Lennon Y Y	5 Hemphill Y Y	<b>WYOMING</b>
2 Battin Y Y			AL Harrison N Y

Democrats in this type; Republicans in *italics*

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Week ending April 21, 1961 -- PAGE 703





# The Week In Congress

**Redistricting Hassles** Recent developments within the states have raised the spectre of widespread at-large elections for U.S. House seats in 1962. Deadlocks have appeared in several state legislatures faced with redistricting problems, and referendum petitions have been launched in some states against bills already passed. In some states, entire delegations may be forced to run at large. The result might be one of the largest House membership turnovers in the 20th Century. CQ's Fact Sheet includes reports from 25 states affected, with a separate story on redistricting in Kansas. (Page 678, 684)

## Floor Action

Despite reports after Easter recess that President Kennedy's popularity among the voters did not extend to his programs, Congress advanced four of his 16 "priority" measures...the Senate passed a bill raising the minimum wage to \$1.25 and retaining the controversial coverage provisions Mr. Kennedy had requested...a Conference on the depressed areas bill was completed with the President's key financing measures intact and the Senate passed the bill...the House approved bills to create 70 new judgeships and broaden Social Security benefits in four areas. (Page 659)

## President's Program

President Kennedy last week moved the New Frontier forward on three fronts. On April 20, he sent to Congress his long-awaited proposals to overhaul the tax laws. Included in the tax message were a proposed tax credit to stimulate new investment and an attack on padded expense accounts. On April 17, the Administration's new farm bill was sent to Capitol Hill after last-minute revisions were made to smooth Congressional opposition. Also on April 17, the President asked Congress to set up a Cabinet-level Department of Urban Affairs and Housing. (Page 665)

## Political Notes

Former Secretary of Labor James P. Mitchell scored a solid victory over two state senators to win the New Jersey Republican Governorship nomination. He will face Richard J. Hughes (D), a former judge, in the Nov. 7 general election...Mrs. Catherine D. Norrell (D) easily won a special election to fill the 6th Arkansas District House seat vacated by the death of her late husband, W.F. Norrell. (Page 685)

### Roll-Call Votes

SENATE: Minimum wage, p. 700, 701.  
HOUSE: Judgeships, Social Security changes, p. 702.

## Secrecy in Government

The debate over secrecy in Congress and the Administration -- a perennial occurrence -- has surfaced again with charges and denials from all quarters. The American Society of Newspaper Editors has charged both with withholding public information without sufficient cause -- and Congress has tangled with the Administration over just what information Congress should be allowed to have. Congressional Quarterly has cited some of these incidents and reported on open and closed hearings in Congress since it convened Jan. 3. (Page 669)

## Around the Capitol

President Kennedy is faced with a problem of how to implement civil rights pledges without antagonizing Congress and damaging the prospects for enactment of his other programs. A Fact Sheet summarizes the areas in which the Administration has taken civil rights actions, and those in which it hasn't, to date.... Broadcasting Magazine lists 23 Members of Congress as having direct or family-connected interests in radio or TV.... Americans for Democratic Action are urging citizens to prod Congress for action on the President's economic program. (Pages 667, 686, 699)

## In the Committees

Two Kennedy priority bills were advanced by committees this week: aid to children of unemployed parents; and loans and grants for college classroom construction and federal scholarships. A water pollution bill also was ordered reported, as was a bill extending the Mexican migrant worker program. Hearings were held on housing, a U.S. Travel Service, common-site picketing, aid to domestic migrant workers, Government patent policies and price-fixing in electrical businesses. The House Rules Committee tabled a series of bills and the Senate Interstate and Foreign Commerce Committee became the Commerce Committee. (Page 673)

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